CRHNet Symposium 2014

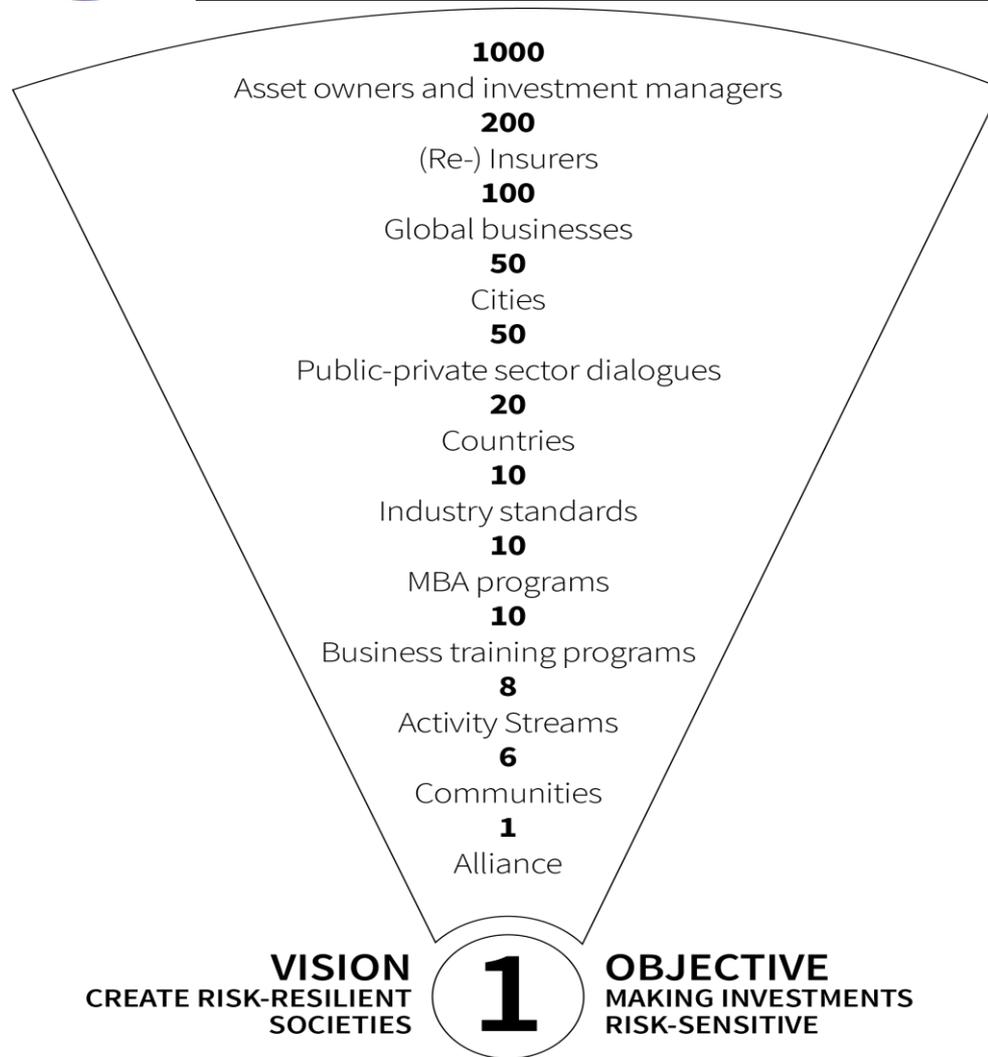## October 24, 2014
Toronto, Canada

*"The more **governments, UN agencies, organizations, businesses** and **civil society** understand risk and vulnerability, the better equipped they will be to mitigate disasters when they strike and save more lives."*

Ban Ki-moon, United Nations Secretary-General

R!SE Initiative Objectives

1000
Asset owners and investment managers
200
(Re-) Insurers
100
Global businesses
50
Cities
50
Public-private sector dialogues
20
Countries
10
Industry standards
10
MBA programs
10
Business training programs
8
Activity Streams
6
Communities
1
Alliance

VISION
CREATE RISK-RESILIENT SOCIETIES

1

OBJECTIVE
MAKING INVESTMENTS RISK-SENSITIVE

www.theriseinitiative.org

Overall R!SE Vision and Objectives

- **Create risk-resilient societies**
- **Make all investments risk-sensitive**
- **Deliver tools, recommendations and good practice to implement comprehensive disaster risk management for investments**

R!SE Initiative Participants

The United Nations Office for Disaster Risk Reduction (UNISDR) coordinates disaster risk reduction across the United Nations system.

United Nations Office for Project Services (UNOPS) is a central resource for the UN system in procurement and contracts and acts as a service provider to the United Nations, its agencies, funds and programs, donor and recipient governments, intergovernmental organizations, international and regional financial institutions, NGOs, foundations and the private sector.

PwC, a global network of firms, draws on expertise in enterprise risk management, actuarial modeling, climate risk, business operations improvement and supply chain optimization to help organizations develop and implement tools and methods to mitigate and prevent disaster risk.

Public / Private Alliance

Activity Stream 1
DRM Strategies

Led by PwC, will support the private sector in developing improved disaster risk management capacities.

ACTIVITIES

▷ Develop a common DRM vocabulary.

▷ Develop a knowledge management inventory and its maturity model.

▷ Develop an approach on how to efficiently collect know-how and initiate collection (in collaboration with Activity Stream 6).

▷ Develop risk information, metrics and maturity assessment/benchmarking tools of direct relevance to the activities above (in collaboration with Activity Streams 2, 6 and 7).

OUTCOMES

▷ Relevant benchmarking tools (e.g. a maturity assessment tool).

▷ Formalized process to gather and share private and public know-how.

▷ A cross-sectoral, global business network capable of exchanging knowledge and good practice in DRM strategy development and implementation.

Activity Stream 2
Risk Metrics

Led by EIU, will support the development of improved risk metrics for business and economic forecasting.

ACTIVITIES

▷ Include the risk of disasters in country-level analysis.

▷ Include the risk of disasters in country-level operational risk ratings.

▷ Include risk metrics AAL and PML into investment decisions.

▷ Standardize risk metrics to move from response to prevention.

▷ Include industry-specific weightings for the disaster risk scores where possible.

OUTCOMES

▷ Disaster-specific risk model for country forecasts and ratings (in collaboration with Activity Stream 7).

▷ Framework to factor disaster risk into business investment decisions and corporate planning (in collaboration with Activity Stream 1).

▷ Both of the above tested across a sample of at least **20 representative countries** with varying risk levels for both models.

Activity Stream 3
DRM Industry Standards

Led by PwC, will support the development of voluntary industry standards for disaster risk management (DRM).

ACTIVITIES

▷ Develop pilot projects for selected regions, industries and products or services (in collaboration with Activity Stream 7).

▷ Monitor pilot project progress and develop lessons learned.

▷ Develop standards by applying lessons learned from pilot projects.

▷ Develop certification process for the adopted DRM industry standards.

OUTCOMES

▷ Monitoring system and systematic collection of lessons learned made available on the R!SE Portal.

▷ At least **10 industry sectors** adopt voluntary DRM standards and certification.

Activity Stream 4
DRM Higher Education

Led by FIU, will support academic institutions, training centres and courses, and business associations in improving their curricula on business risk management.

ACTIVITIES

▷ Merge BC-CSR-DRR into a comprehensive DRM approach with practical methodologies.

▷ Identify institutions offering MBA programs willing and able to contribute to the R!SE Initiative for both education and outreach.

▷ Develop university-level DRM courses and modules, and design commensurate faculty development/re-tooling programs in current DRM approaches, practices, and tools.

▷ Identify training institutions, professional associations, chambers of commerce, and/or universities willing and able to contribute to the R!SE Initiative.

▷ Develop short, practical, training level DRM experiences for current business leaders and owners.

OUTCOMES

▷ A combined BC+CSR+DRR values-based DRM approach.

▷ A suite of state-of-the-art university-level DRM courses and modules.

▷ At least **10 leading business schools** in at least three global regions having incorporated state-of-the-art DRM into their MBA curricula.

▷ An integrated BC+CSR+DRR toolbox for DRM which is scalable to large, medium, and small businesses.

▷ At least **10 DRR outreach** and/or extension initiatives targeting medium and small businesses.

▷ A 'higher education and training' network capable of multilateral DRM knowledge exchange.

Activity Stream 5
Responsible Investing

Led by PRI, will engage major institutional investors such as sovereign wealth and pension funds to consider disaster risk in their investment portfolios.

ACTIVITIES

▷ Explore potential for inclusion of disaster risk considerations into existing guidance, standards and principles for responsible investment.

▷ Reach out to 100 large institutional investors to explore the opportunity for integrating disaster risk considerations into current investment practice.

▷ Incorporate relevant disaster risk management issues into existing principles for responsible investment (in collaboration with Activity Stream 2).

▷ Develop a toolbox and guidance to support practical application of the principles incorporated in DRM and expand existing outreach to signatories to build awareness and understanding.

OUTCOMES

▷ Set of recommendations on the potential inclusion of disaster risk metrics into existing investor standards and principles such as the PRI.

▷ Endorsement of **200 large asset owners** and/ or fund managers for principles/ standards that incorporate disaster risk and risk management.

▷ Current signatories to existing principles for responsible investment understand implications of inclusion of disaster risk considerations into existing principles.

▷ Toolbox and guidance for investment community to apply the principle(s) to investment decision-making, fund management and ownership practice.

Activity Stream 6
Resilient Cities

Led by Aecom, will support local business communities and government departments to increase disaster resilience in their municipalities and cities.

ACTIVITIES

▷ Apply Resiliency Scorecard and facilitate periodic review and updating.

▷ Perform at least 50 applications of the Resiliency Scorecard in cities in emerging, developing and developed countries and revise to increase utility.

▷ Facilitate active dialogue between private and public actors in small and large cities.

OUTCOMES

▷ Resiliency Scorecard applied in at least **50 cities**.

▷ Apply/utilize and refine the Resiliency Scorecard toolkit for public-private sector workshops for action in resiliency planning, response and recovery.

▷ Dialogue between public-private sector on current and future disaster risk management in at least 50 cities.

Activity Stream 7
Insuring Resilience

Led by Willis, will increase access to optimal and sustainable disaster insurance to the wider global community, particularly in emerging economies.

ACTIVITIES

▷ Apply insurance science, data, models and mapping with externally available data/models to support populations, policy and insurance carriers (in collaboration with Activity Streams 2 and 3).

▷ Engage sustainable capital to develop insurance facilities for the widest possible global community (in collaboration with Activity Streams 1 and 3).

▷ Explore applying a $1 levy on qualifying insurance transactions to support the R!SE Trust Fund.

OUTCOMES

▷ Suite of materials to help quantify and manage risks.

▷ Access to sustainable insurance capacity, based on 'resilience criteria' and range of solutions aligned to benefit stakeholders in the R!SE Initiative, including incentives for disaster risk reduction.

▷ Insurance development fund utilized to provide resilience education programs to relevant communities and authorities.

Activity Stream 8
DRM in the United Nations

Activity Stream 8 will be developed to facilitate joint learning in support of the United Nations system's efforts in building resilience to disasters and climate risks. It will be an opportunity to exchange lessons from practical experience of the public and private sector and access relevant tools and instruments developed in R!SE.

ACTIVITIES

▷ Document updated roles and responsibilities based on the 2013 report "Disaster Risk Reduction in the United Nations System".

▷ Identify good practice and barriers to action and enable DRM knowledge sharing across all key UN entities.

▷ Identify and apply relevant benchmarking tools to highlight major performance gaps and approaches to implement good practice.

▷ Convene at least 10 key UN entities in dialogue with the private sector to address existing risk management performance gaps.

OUTCOMES

▷ Regularly updated inventory of focal points, roles and responsibilities in key UN entities.

▷ Section on R!SE Portal with good practice applicable to the UN system.

▷ Detailed action plans for at least **10 UN entities** based on joint dialogue with private sector initiative contributors.

▷ Develop transparent resiliency rating system based on benchmarking tools and support the development of periodic reports of progress for at least 10 UN entities.
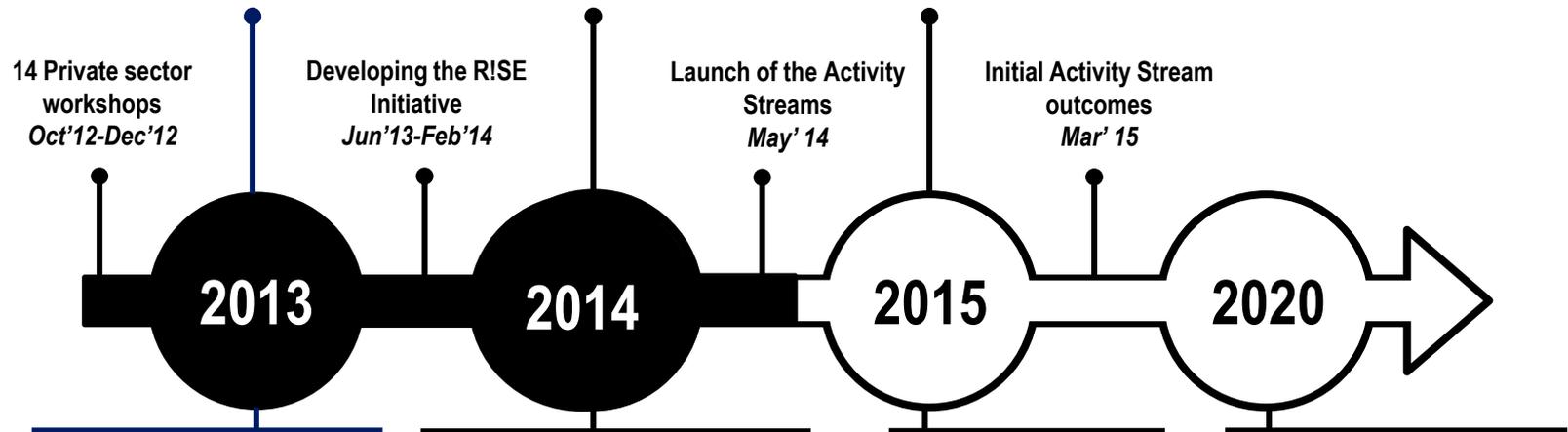
R!SE Timeline

Global Platform for Disaster Risk Reduction, *May – Geneva*

Launch of the R!SE Initiative *May – New York*

World Conference on Disaster Risk Reduction *Mar – Sendai*

14 Private sector workshops *Oct'12-Dec'12*

Developing the R!SE Initiative *Jun'13-Feb'14*

Launch of the Activity Streams *May' 14*

Initial Activity Stream outcomes *Mar' 15*

2013 · **2014** · **2015** · **2020**

UN World Conference on
Disaster Risk Reduction
2015 Sendai Japan

How can organizations contribute to R!SE?

Three ways to contribute:

Funds

People & Skills

Knowledge & IP

R!SE Trust Fund
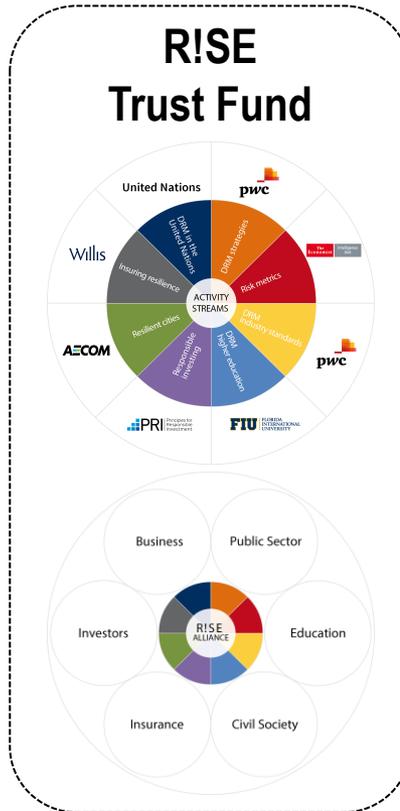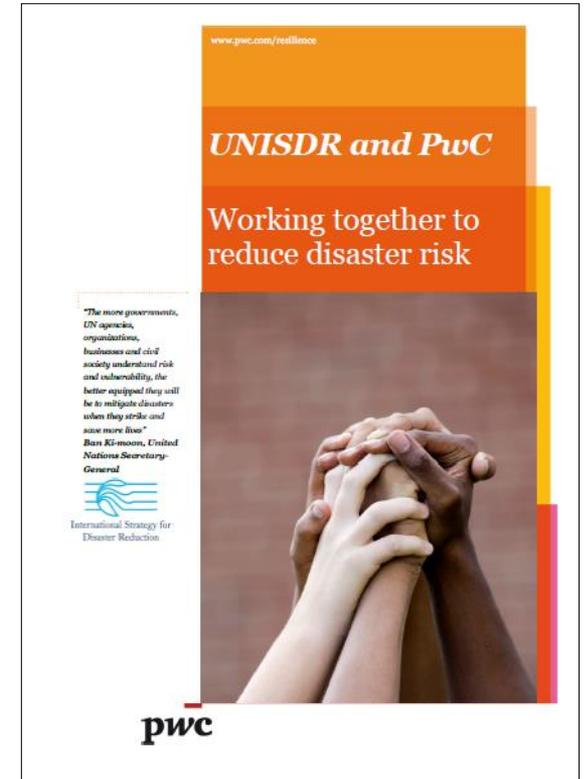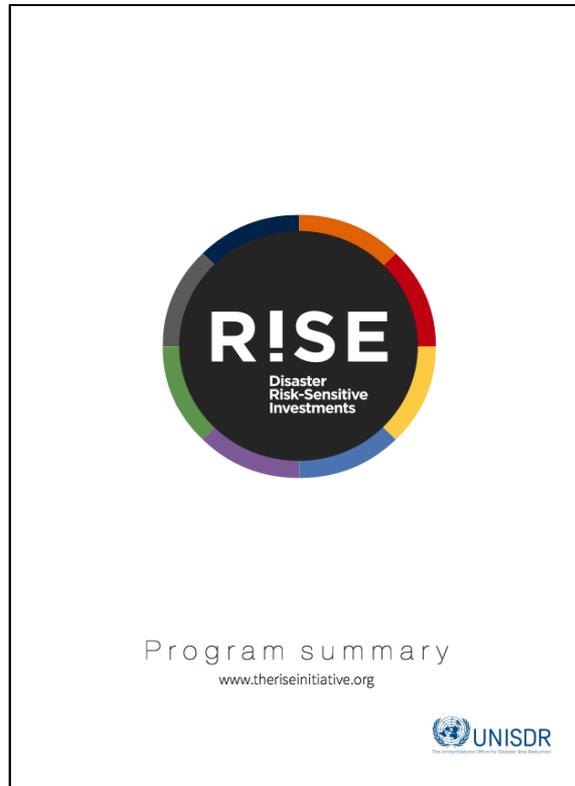
Benefits from contributing:

Creating shared value

Influence

Post-2015 Agenda

Make investments risk-sensitive to create risk-resilient societies

Key R!SE Documents

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