Global Platform for Disaster Risk Reduction (Cancun, May 22-26)

Statement by Carlo Papa (Vice-Chairman of ARISE to plenary session – May 24th, 2017)

Ladies and gentlemen, good morning.

I am here today to represent ARISE – the private sector initiative of the UN Office for Disaster Risk Reduction. I’d like to thank you, first of all, for giving me the opportunity of speaking here this morning on behalf of ARISE and, more broadly, of the private sector.

ARISE has more than 140 member companies from around the world, and from every sector of the economy. Among our members, we have manufacturers, energy companies, transport & logistics groups, financial services, construction companies and tour operators – all working in support of the objectives of the Sendai Framework.

The breadth of our membership, I think, demonstrates the importance of this issue to the private sector – and the willingness of ARISE, in particular, to engage with governments and other stakeholders to bring forward new approaches and new solutions.

Business is ready to help; we’re ready to work with governments and other organizations. Businesses are part of the very fabric of our communities – as places of work, as suppliers and investors. Faced with increasing disaster risk, we are ready to bring forward new approaches and new solutions.

In recent years, as you know, disasters have become more frequent and more severe. According to the UNISDR, disasters currently cost our economies approximately $300 billion a year. To put this in perspective – that is more than ten times the amount spent each year on international humanitarian aid¹.

From an economic viewpoint, these losses put strain on our public finances. They destroy jobs and livelihoods. They disrupt business. They act as a brake on long-term economic development, particularly in countries most at risk. And urbanization, of course, is adding to these risks – by concentrating both populations and economic value. Cities already generate 80% of the world’s GDP; many of the largest and the fastest-growing are vulnerable to disaster, often because they’re located on the coast or close to geological fault-lines.

It’s clear, given the scale of the issue confronting us, that the public and private sectors must find ways of working, and acting, together.

Together, we need to lower risk; we need to reduce the impact of future disasters, and build in greater resilience. So when disaster happens, our schools and hospitals, our businesses – our economies – can get back on their feet as quickly and effectively as possible.

So, how can business help? What resources or expertise do we have?

Let me give a few examples. We’re experts in supply chain management. We build. We invest. We lend money. We supply energy. We manage key infrastructure. We provide protection through insurance.

When new houses are built, for example, it’s ordinary businesses generally that supply the materials. That finance reconstruction. That connect up the electricity, telephone, and internet.

In effect, business acts as a catalyst. By providing products and services that help reduce risk – by investing in the right projects and the right infrastructure – by working with our suppliers and partners, including those in government – businesses build, and will continue to build, resilience into our economies.

Business is ready to help, but it can’t do this on its own. It needs the support of government – certainly at the scale which will be required.

Most of all, it needs clear, stable and effective public policies and regulations.

- A building code, for example, that upholds minimum standards of resilience
- Financial regulatory frameworks that incentivize long-term investment in resilient infrastructure
- Laws on urban planning and land use that ensure disaster risk is taken into account when decisions are made.

Regulations, in other words, that will reduce losses from future disasters and help protect people and property.

Businesses already invest, of course, for the safety and protection of people and communities – and will continue to do so.

The support of government, in the right areas, will help us go further. It will help drive the longer-term, transformational investment we need – to reduce risk, increase resilience and ensure sustainable economic growth in the face of new operating conditions we face all over the planet.

Government can help by mobilizing people, and raising awareness. But its most important role, we believe, is in putting the right policies and regulations in place. And making sure they are properly and effectively enforced.

With this support, business will be able do more – it will stand side by side with government to support effective implementation of the UN Sustainable Development Goals: to ensure, in the words of the SDGs, ‘sustained, inclusive and sustainable economic growth, making cities and human settlements inclusive, safe and resilient’.

Over the past few weeks, as members of ARISE, we’ve put together a document – *Business for Resilience* – which sets out our position. How we think business can help. And what we need from
you, from government, to play our role to the full. If you’d like to discuss our proposals in greater depth, of course, we’d be very happy to do so.

If I had one request to make this morning, it would be this: take the opportunity to involve business in all aspects of planning, recovery and reconstruction. In all aspects of risk management. Work closely with us before, during and after disaster. We have valuable resources and expertise to mobilize them more and more effectively, we need government. In this, government and business have a common goal. To achieve what we both want to achieve, we must work and act together.