Spotlight on:

COVID-19 demonstrating the systemic nature of risk

As the COVID-19 crisis unravels, it lays bare the vulnerabilities of ourselves and our planet. Within weeks, what was first seen as a local health concern turned into what the IMF now describes as the biggest economic recession since the Great Depression. Thousands of lives and millions of livelihoods were lost, and the total economic damage is not yet known.

Yet, the pandemic and its threat to our social, economic and financial systems was not unforeseeable. On March 18, 2015, almost exactly 5 years prior to the first lockdowns, the UN Member States showed visionary foresight when they adopted the Sendai Framework for Disaster Risk Reduction as a global plan for the prevention of such disasters. The Framework spurred a new understanding of risk caused by the interaction of natural and man-made, biological, environmental and technological, hazards. COVID-19 is a clarion call to policy makers to spring into action to take serious measures to better implement what they promised.

The Sendai Framework also highlights that building resilience requires public and private collaboration. Paragraph 36(c) specifically stresses the role of the private and financial sector. It calls for integrating disaster risk management into core business models, changing established practices, and increasing focus on disaster risk-informed investments. As the UN Secretary-General’s Special Envoy on Climate Action and Finance, and former Governor of the Bank of England, Mark Carney, continues to highlight, we need ‘greater attention to be paid to managing tail risks, and more heed to be given to the advice of scientific experts’. This includes greater transparency on risks, addressing different time horizons of available risk modelling versus business planning, and shifting minds and behaviors from protection to prevention.

ARISE, COVID-19 and DRR: How is your business working to prevent further risks? We want to hear from you!

As some parts of the world are slowly moving from response to recovery from the COVID-19 crisis, it is important to start looking and preparing for the future risks. UNDRR will soon share a template with all ARISE Networks on how businesses are working on risk prevention.

Key events related to ARISE Priority Areas:

**May**
- 1-31: ARISE Board election campaign.

**June**
- 1-15: ARISE Board election
- 23-25: 12th International Conference on Risk Analysis and Hazard Mitigation (relates to all priorities)
- 24-26: IIAAS Conference: Public Governance for Climate Action (Insurance)
- 25-27: 2nd International Conference on Urban Risks (ICUR2020) (Infrastructure)

**July**
- 7-16: United Nations High-level Political Forum on Sustainable Development (HLPF)
- 15: ARISE AGM to be held virtually
ARISE members have understood this as they embrace the Sendai Framework. And as billions of dollars are about to be injected into our economies, ARISE has an unprecedented opening to take a global leadership role to help integrate risk considerations into what is the rebuilding of our economic system. The 4 ARISE priorities: 1) Integrating disaster risk into financial sector investment; 2) Building resilient infrastructure; 3) Enhancing Resilience of Small and Medium Enterprises and 4) Promoting the role of Insurance to spearhead preventive approaches, provide the key basis for action.

As the SRSG said: “This crisis has given us a huge opportunity to reboot how we view economic growth and to recognize what is important for our survival as a species and for the sustainable development of the planet. COVID-19 is a wake-up call. It would be a fatal mistake to reach for the snooze button.”

For more information on COVID-19 as a systemic risk, and opportunities for action for ARISE please see here:


COVID-19 IS HUGE CHALLENGE FOR BUSINESS RESILIENCE

UNDRR Annual Report 2019

**News round-up:**

**Launch of Words into Action (WiA) on Engaging children and youth in disaster risk reduction and resilience building**

In April, the WiA on children and youth was sent out for reading, followed by a launch including awareness activities this summer. The WiA is to ensure worldwide access to expertise, communities of practice and networks of DRR practitioners. The guide offers specific advice on implementing a feasible, people-centered approach to supporting and engaging children in disaster risk reduction and resilience-building. This WiA is an important tool to engage with young entrepreneurs. The WiA should become a standard tool for ARISE members when engaging with young entrepreneurs as well as female business leaders. The ARISE members have a responsibility to engage with all groups of society providing value and building resilience. https://www.preventionweb.net/publications/view/67704

**New ARISE Value Proposition**

The ARISE Board finalized and officially endorsed the new ARISE value proposition on 27th March and a workshop was held on 31st March where the Board members discussed and brainstormed how to implement the Value Proposition into Communication and business activities. An outcome of this March Board meeting was the new four ARISE priorities with KPIs. This will continue to be the focus for the incoming new ARISE Board to be elected this summer.

A great example of external communication which highlights the work of ARISE and encourage non-members to address systemic risks and engage with ARISE has come out of the ARISE Mexico Network with a short video available here:

https://www.youtube.com/watch?v=gMGRWBaQc64

**Nominate yourself by May 1st!**

In 2020 the ARISE members will be electing a new ARISE Board which will be key to moving ARISE forward towards a resilient and prosperous future.

UNDRR therefore calls for all interested ARISE members to nominate themselves for the board by completing the nomination form shared through the network. This is a great chance for all ARISE Members to have a key and active role in implementing ARISE’s four priorities:

- SMEs
- INVESTMENT AND INVESTORS
- INSURANCE
- RESILIENT INFRA-STRUCTURE
In depth:

ARISE Costa Rica
On May 2019, the ARISE-Costa Rica National Network was officially launched through the signing of Memorandum of Understanding between the Business Development Association (AED), the National Insurance Institute (INS), the National Commission for Risk Prevention and Emergency Management (CNE), and UNDRR. The launch of this Network was paramount as Costa Rica is one of the 15 countries in the world with the greatest risks to natural events, as the World Risk Report warns. Following the launching event, AED, a member of the ARISE Costa Rica network AED, in coordination with the National Insurance Institute, CEMEX-Costa Rica with the technical support of UNDRR conducted a workshop on “Business continuity plans for disaster risk reduction: A Road to Resilience”, as the first formal network activity. The workshop allowed the participants to become familiar with standardized concepts and terminology in order to develop business plans focused on DRR. The workshop brought together 33 representatives (18 women and 15 men) from the National Commission for Risk Prevention and Emergency Management (CNE), local governments, private sector and organizations. As the COVID-19 crisis unfolds, AED organized further webinars with institutions such as INS and Ministry of Economy, Commerce and Industry (MEIC), finance and legal sector, as well as set up a dedicated COVID action website.

Letter in FT: Investing in prevention pays off and saves lives

Mami Mizutori, UN Secretary-General’s Special Representative for Disaster Risk Reduction
From Mami Mizutori, UN Secretary-General’s Special Representative for Disaster Risk Reduction
Regarding Tim Harford’s column “Why we fail to prepare for disasters” (April 18): the UN Office for Disaster Risk Reduction would like to highlight the following.

First, as Mr Harford points out, political leaders and governments must shoulder the heavy lifting in prevention and preparedness. The greatest single driver of disaster risk is weak governance and lack of political commitment to invest in prevention. This is clear from the various runaway disaster risks we keep ignoring: greenhouse gas emissions, unplanned urbanisation, population growth in disaster-prone settings, failure to invest in public health infrastructure, and the list goes on.

Second, the Sendai Framework for Disaster Risk Reduction, the global blueprint for reducing risk and disaster impact adopted five years ago by UN member states, included biological hazards because memories were still fresh of earlier outbreaks of Ebola, Sars, Mers and H1N1. Now governments must walk the talk and include pandemic preparedness front and centre in their national and local strategies for reducing disaster risk.

Third, there is abundant evidence that investing in prevention pays off and saves lives. Fifty years ago this November, 1m people died in a cyclone that hit Bangladesh. Last November, when Cyclone Bulbul hit the same country, the death toll was less than 20. The difference was a robust government-run cyclone preparedness programme put in place using early warnings and an array of measures to reduce loss of life.

When there is a political will to follow the evidence and act on science, we can reduce existing risk and avoid the creation of new risk. In a world where economic growth is insatiable, risk has become systemic and embedded in all aspects of what we call “progress”. One type of risk can transform into another, exposing and exacerbating existing vulnerabilities. We see this with Covid-19: a biological hazard making clear the precarious systems upon which trade, food, energy, transportation and social safety nets rely.

If we do not lift our game, the Covid-19 pandemic will be viewed by our children as nothing but a warm-up act for the willful destruction of the planet.

Any questions? Please contact ARISE focal point at UNDRR Sarah Hendel-Blackford sarah.hendel-blackford@un.org