

Panel discussion 5

Public - Private Partnership for Disaster Reduction Management

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Moderator Mr. Anil K. Sinha, Programme Advisor, International Recovery Platform (IRP) / UNDP briefed the purpose of this panel discussion, public-private partnership (PPP). The purposes are firstly, to encourage the risk reduction dialogue to identify opportunities between public and private sectors, recognizing that private sector is a key stakeholder in the economy and is main part of population, and considering the importance of business continuity.

Second purpose which he pointed out is to present good practices of PPP in regional, national and local level, and share them.

The third purpose is to encourage the process that can elicit a wider engagement for joint commitments between public and private sectors, and he mentioned how to identify the potential successful scheme between public and private sectors.

He addressed what the key factors are to make a successful partnership.

He emphasized the successful scheme (win win win partnership) between public and private sectors. He also emphasized the need for incentives to induce private company for disaster risk reduction and strengthening of partnership. He took examples Cat-Risk Protection by Gov re-insurance for insurers. He also stressed the responsibility between public and private sectors and the importance of spreading good practices to other countries and areas.

He wrapped up his presentation addressing the challenges of HFA and 5 priorities areas to audiences.

Mr. Satoru Nishikawa, Director of Disaster Preparedness, Public Relations and International Cooperation, Cabinet Office, Japan, delivered Japan's experiences for disaster risk reduction with the title "promoting public-private partnership for disaster risk reduction" in Japan.

He highlighted two epoch-making disasters to change Japan's system and mechanism for disaster reduction

- The first Ise-Wan Typhoon in 1959 was a major disaster to make "Disaster Countermeasures Basic Act" in 1961. There was good act from Japan Red cross
- The second Hanshin-Awaji (Kobe) earthquake in 1995 made "quicker information gathering mechanism" and fostered the recognition of importance of self help and mutual help.

He explained briefly the national platform for disaster reduction

For the challenges ahead in Japan, he introduced 3 major types of disasters frequently recurring in Japan, that is, Earthquake, Tsunami in 2004, and Typhoons & Floods, and then addressed how to decrease the casualties by these disasters.

He highlighted, after HFA, Japan government initiated the nation-wide movement for disaster reduction with 3 concepts, namely self-help, mutual-help, and public-help, emphasizing the involvement of various local groups like community groups, Local shop unions, parents and teacher associations and corporate business groups for effective disaster reduction.

He indicated why corporate sector is necessary, because people are working in the day time at corporate, secondly corporate is a member of communities, and 3) for business continuity is essential for corporations

He introduced several disaster reduction management cases which have been done by various kinds of companies in Japan. For example,

- Disaster emergency message dial 171 service, and Emergency earthquake quick reporting system by NTT,
- Earthquake countermeasures and Disaster awareness campaigns by Tokyo gas corporation
- Tokyo central station commutes corps and Promotion of district continuity management by Mitsubishi estate corporation
- Trilateral agreement on community disaster prevention by Daikin Industries & community associations & soka city municipality
- Exploration program for disaster prevention by the General Insurance Association of Japan
- Many activities by Japanese consumer co-op, Major glass company, many manufacturing company, Development bank of Japan, etc

He concluded his presentation by citing famous Japanese proverb, "Natural disasters will hit us by the time when people have forgotten about it"

Dr. M.C. Wong, Assistant Director, Hong Kong Observatory/WMO delivered his presentation regarding the opportunities and challenges for development of weather-based insurance and derivatives markets in developing countries.

First of all, he highlighted 3 components of risk management, namely risk identification, risk reduction and risk transfer with related activities. PPP is very important to risk management.

He emphasized that national meteorological and hydrological service (NMHS) can play a key role to improve national capacities for disaster risk management with general public, government and media and private sector.

He continued to explain in detail how the national meteorological and hydrological services can contribute to risk identification, risk reduction and risk transfer. Particularly he stressed the importance and the recent developments in weather derivatives and insurance markets in developing countries for risk transfer, taking examples of agriculture, tourism, energy which are highly depending on weather situation.

Noting that traditional insurance products in the developing countries are largely under-developed, he emphasized that innovative weather related insurance mechanism can provide better opportunities for risk transfer.

On the other hand, he admitted that there are some important challenges to overcome for weather risk management in developing countries. In the national level, he pointed out the challenges such as the lack of political recognition, institutional capacity in operation and sustainability of observing networks, and the availability of data to users. Particularly he emphasized that development of these capacities should be considered as an investment for enhanced risk management.

Next he introduced WMO initiatives in supporting weather risk market development through the activities such as advocacy for importance of meteorological and hydrological services at the ministerial level, working with weather risk market to identify needs and requirements, technical capacity development of national meteorological and hydrological service, and development of index for meteorological and hydrological standard such as drought index.

He also introduced WMO public outreach activities in HK

He concluded his presentation by highlighting that public-private partnership could bring better opportunities for sectoral planning, community based readiness

programmes, education and public outreach campaigns and the development of risk transfer markets.

Dr. Neil Britton, Senior Disaster Risk Management Specialist, Asian Development Bank delivered his presentation about the ADB's participation and roles in public-private partnerships. He briefed the concept of PPP (collaboration public-private, and contract basis, risk taking) and emphasized that we have to focus on the outputs from PPP, rather than inputs to PPP. He highlighted Government's responsibility for disaster reduction.

He addressed some challenges which PPP faces in developing countries and grouped these challenges as legal framework, institutional framework, capacity issues, transparency challenges, government role needed, challenges in limited capital market & NGO restrictions, and finally perception challenges such as what we are really needed. He also proposed the institutionalization of PPP in the long term basis as a way to overcome these challenges. Have to see the private as a major partnership.