

3-4. Study on Disaster Resilience Policies and Measures for Sustainable Economic Growth in ASEAN Region

The Asian region is geographically prone to natural disasters and, at the same time, it is densely populated. Therefore, once a natural disaster occurs, the human suffering will be considerable. Furthermore, as the region is also home to industrial clusters in which many manufacturers, particularly Japanese companies, are concentrated, the economic losses due to such disasters are substantial. With the flooding that occurred in Thailand in 2011, the global supply chains of the automobile, electronics and electrical industries that had part of their production bases in Thailand were cut off, and it was a great blow to those industries.

Especially, the growth of the ASEAN region is remarkable, with the population set to reach 730 million by 2030. It is said that, with further advances in economic integration, it will rank as the world's fourth-largest economy by 2050. For this reason, the economic losses due to natural disasters are ever more severe, and such losses are estimated to average \$4.4 billion per year. In other words, suppressing the human and economic cost of disasters occurring in the ASEAN region is of benefit to the global economy as a whole.

With this background, the Economic Research Institute for ASEAN and East Asia (ERIA) and ADRC agreed to conduct the ERIA Research Project "Study on Disaster Resilience Policies and Measures for Sustainable Economic Growth in ASEAN Region". Utilizing its own network, ADRC requested three Japanese experts to prepare papers to provide policy advices on the following themes. They will be compiled by August 2020.

[Theme 1] Comprehensive examination and verification of the natural disasters and economic damage that have occurred in the ASEAN region

[Theme 2] Study on disaster resilience in private sector of Japan

[Theme 3] Low regret investment in disaster risk reduction for sustainable development

The outcomes are expected to include several policy recommendations as shown below:

- Policy implications and suggestion on specific categories and characteristics of economic damage by natural disasters in a target country and field, based on statistical analysis.
- The necessity of developing business continuity plans and its implications on policy choices based on analysis of the relationships between the natural disasters and economic damage that has occurred in recent years.
- The state of implementation of DRM and/or BCP/BCM in private sector of Japan, and sharing of information on their contents, as policy reference for ASEAN member states.
- Proposals on implementation of DRM and/or BCP / BCM for the ASEAN region.
- The importance of low or no regrets investment aimed at disaster mitigation, based on large-scale natural disasters such as the Great East Japan Earthquake.