Public private partnership for disaster risk assessment and financing: The South African Experience

Debbie Donaldson: The South African Insurance Association (SAIA)
Disaster Risk Financing & Insurance Session

Public Private Partnerships: South African Experience

- Why engage
- Understanding the roles and contributions
- Enabling Leadership beyond individual
- Structuring realistic deliverables
Why engage?

AN INCREASING LEVEL OF SYSTEMIC RISK

Why engage?

A key risk management tool in normalising financial losses
A catalyst in driving risk management behavior across communities that benefit from the financial protection
A key enabler and transmission mechanism for economic activity

Co-ordinate

A system of risk management

Integrate

Promote

SHORT-TERM INSURERS

• A key risk management tool in normalising financial losses
• A catalyst in driving risk management behavior across communities that benefit from the financial protection
• A key enabler and transmission mechanism for economic activity

NATIONAL DISTASTER MANAGEMENT CENTRE

• A dedicated and facilitative environment to promote, integrate and co-ordinate a system of disaster risk management
• A key enabler for an integrated view: community impact involve all forms of government to manage effectively
• Represent the collective community impact

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Why engage?

AN INCREASING LEVEL OF SYSTEMIC RISK

The same drivers of risks
The same expertise
The same risk lifecycle
The same consequences

Different terminology
Different risk management approach
Different operating principles
Different social and financial impacts

Proportionate loss through a broader socio economic lens

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Understanding the roles and responsibilities

DECREASING LEVELS OF SYSTEMIC RISK

How do we act proactively to become shapers of risks by:

• Understanding these risks
• Sharing this knowledge
• Developing strategic responses
• Driving or contributing towards implementation

Community experience
Municipal Services
Provincial Dynamics
National frameworks

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Enabling Leadership

Memorandum of Agreement: SAIA & NDMC

Terms of Reference

Mutually Beneficial Collaboration: appropriate confidentiality

- Applies to full risk cycle
- Decrease risk
- Community and Municipal Impact
- Shared data and knowledge
- Education All role players
- Increase insurance access: alternative risk financing
Structuring Realistic Deliverables in Building Resilience

CONCEPTUAL VIEW OF FIRE DASHBOARD

Large losses
- Business Interruption Services: water, piped gas, electricity, air supply
  - Liability
- Material damage
  - Plant and machinery, contents, stock, structure
- Market share/opportunity lose
- Economic losses
  - Human Impact
  - Job losses

Vulnerability
- Land Use
  - Information management
  - Geographical location
- Infrastructure
  - Adequacy of design, maintenance
- Knowledge and skills
  - Seasonality
- Nature of business or economic activity
- Business continuity planning
- Budget constraints/state of mind to risk

Drivers/Underlying causes
- State of Ecosystems
  - Climate change
- Geological status
- Moral standing
- Inadequate use of a risk management

Mitigation
- Town planning
- Management
- Regulation and enforcement

- Land use planning
Thank you

Public private partnership for disaster risk assessment and financing:
The South African Experience

The journey thus far

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