

2018 ECOSOC Forum on Financing for Development

Statement by UNISDR

Madame President, Excellencies, Distinguished Delegates, Ladies and Gentlemen,

Allow me to express our strong appreciation to the President of the ECOSOC, and for the Forum's focus on disaster risk reduction this year.

Three years since the adoption of the Sendai Framework and the Addis Ababa Action Agenda, economic and social investments likely continue to be made without full understanding of disaster risk. Unknown risks only become evident in the event of a disaster – when investments have been wiped-out and lives have been lost.

Several times this week we heard that the current pace and scale of investments is not sufficient to achieve the SDGs. Allow me to add to this the startling fact that, between now and 2030, an estimated four hundred and fifteen billion dollars a year - roughly 7 per cent of investments to be made in infrastructure, may be wiped-out by disasters.

Investing in disaster risk reduction makes economic sense. We know that achieving the SDGs will require a shift from billions to trillions. Therefore, it is critical that disaster risk reduction is at the core of national development plans, private business strategies, and official development assistance.

Until we reduce existing disaster risk and prevent the creation of new risks, risk transfer mechanisms and quick disbursing instruments, as well as debt rescheduling agreements, will continue to fulfil a critical role. They provide predictable funds for recovery and immediate reconstruction.

These mechanisms need to be improved. They can better incentivize ex-ante disaster risk reduction and can ensure that the funding is used to “Build Back Better” in a risk-informed way.

However, it is clear that sustainable development cannot be attained through cycles of disasters, insurance pay-outs, and reconstruction. To break this cycle, the Sendai Framework calls for a shift from managing disasters to reducing disaster risks.

As countries develop disaster risk reduction strategies by 2020 – as per Target E of the Sendai Framework – there is a need to finance their implementation and to create incentives, regulations, and financing mechanisms for disaster risk-informed investments. Ministries of Finance and Planning have a critical role to play in this effort. To support the implementation of national disaster risk reduction strategies, much more work is needed to further develop mechanisms to finance the actual reduction of disaster risk and the prevention of new risk.

Madame President,

The recognition in this Forum’s Agreed Conclusions and Recommendations that better ex-ante disaster risk reduction and resilience building mechanisms are needed is a crucial step in this direction. UNISDR will continue supporting Member States in this regard, and is committed to working closely with partners in the Inter Agency Task Force. In concluding, I would like to commend DESA’s leadership and collaboration.