Opening Statement of Senator Loren Legarda Resilience to Natural Hazards and Climate Change ADB Conference: "Innovation and Learning in a Changing Asia" ADB Headquarters, Manila, 10 September 2014

Citizens of the Asia-Pacific region are more likely to be affected by natural hazards than those in Africa, in Europe or North America, says a report from the UN Office for Disaster Risk Reduction.

In many countries in the region, poverty, badly planned and managed urban and regional development, informal settlements on unsafe lands, vulnerable rural and urban livelihoods, and ecosystem decline are the underlying drivers that increase the risks of these hazards turning into disasters. Even as we confront these challenges, the impact of the Earth's warming temperature already looms over us.

We have been warned that if global temperatures increase by 4 degrees Celsius, coastal cities will be inundated; dry regions will become drier, while wet regions will be wetter; there will be extreme heat waves, water scarcity, stronger tropical cyclones, and loss of biodiversity.¹

Furthermore, the Intergovernmental Panel on Climate Change (IPCC) said that poverty alleviation and achieving food security will become increasingly difficult, new poverty traps will arise as existing obstacles remain, and economic growth will slow down because of climate change.²

Faced with these difficulties, it is a must that development policies should promote effective risk reduction towards sustainable and resilient growth.

Here in the Philippines, our laws are unequivocal in mainstreaming disaster risk reduction and climate change adaptation in development plans, programs and budgets at the national and local levels.

The Philippine Disaster Risk Reduction and Management Act mandates a paradigm shift from reactive to proactive strategies that will strengthen our

¹ *Turn Down the Heat: Why a 4°C Warmer World Must be Avoided.* A Report for the World Bank by the Potsdam Institute for Climate Impact Research and Climate Analytics, November 2012.

² Climate Change 2014: Impacts, Adaptation, and Vulnerability, from Working Group II of the IPCC

defense against disasters. The Philippine Climate Change Act and its amended version creating a People's Survival Fund mainstream climate change into government policy and urges the private sector to set up counterpart funding for programs and activities that will introduce or strengthen climate change adaptation and mitigation in their respective establishments or communities.

Even our budget policies reflect strengthened disaster risk reduction and management efforts. Aside from increased allocation for DRR investments in the national budget, the previously called Calamity Fund, which was intended for post-disaster activities, has been renamed as the National Disaster Risk Reduction and Management Fund and can now be used for disaster preparedness programs.

Laws, however, are just part of the equation, and their implementation through good governance could spell a big difference.

Moreover, solutions for climate and resource risks entail investing in water supply, sanitation, flood control, transport, roads, social and health services, and energy infrastructure that build resilience to climate variability.

A new study done by Environmental Business International, Inc. estimates that in the next seven years the annual market for "climate adaptation services" will grow by 12 to 20 percent per year, becoming a \$700-million annual market in the United States, and \$2 billion globally.³

In the case of Pakistan, the Japan International Cooperation Agency (JICA) has calculated that if DRR investment is ensured, approximately 25 percent more economic growth is projected for the year 2042 compared to the case without DRR investment.

We need to promote a new approach in dealing with climate change and disaster risk that would not only protect our environment, but would also reap development benefits. To adapt to the new normal requires from us a change in perspective, a change in mindset, a change in the way we think

³ Environmental Business International Inc. (EBI) Report 4800: Climate Change Adaptation

and the way we do things. In essence: *Building resilience should be everybody's attitude*.

With this kind of mindset, we can promote the scaling up of existing government programs to rectify the social and economic structures that breed disaster risk and trap the poor in the vicious cycle of risk and poverty.

The private sector will likewise be encouraged to put disaster resilience at the core of their business strategies and to promote green policies. The heightened engagement of the business sector in DRR is crucial in preventing substantial business losses and economic development setbacks resulting from disasters of unprecedented scale.

While heavy and excessive rainfall is part of the new normal, as experienced right now in India and Pakistan, we cannot remain passive to the growing risk that disrupts our social and economic activities.

We must reduce the vulnerability and exposure of our people and our economy to the impact of natural hazards if we are to reduce poverty and develop steadily as a nation.

The road towards this goal may be tough, but with the attitude of resilience and a strong resolve, we will be able to weather the many challenges of our fast changing environment.

Thank you.