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Lead Statement
Designing Solutions for Climate and Resource Risks
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The Intergovernmental Panel on Climate Change report of March 2014 highlights the risks posed by climate change to the global effort to tackle priority development issues. Because of climate change, 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.[1]

Policies play an important role in our development initiatives since they provide the framework that will guide us towards a uniform goal—that is, sustainable and resilient growth.

[1] *Climate Change 2014: Impacts, Adaptation, and Vulnerability,* from Working Group II of the IPCC

Policy shift: from reactive to proactive

Our laws are unequivocal in mainstreaming disaster risk reduction and management 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 defense against disasters. It encourages participation from the private sector in carrying out a disaster risk reduction and management approach that is proactive in lessening the socioeconomic and environmental impacts of disasters including climate change.

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.

We also call for more investments in clean technologies through the Renewable Energy Act. Our National Renewable Energy Program has set out aggressive targets on renewable energy development from 2011-2030, aiming to nearly triple our existing capacity of 5,369 megawatts to 15,304 megawatts by the year 2030.[2]

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[2] Renewable Energy Plans and Programs, NREP 2011-2030

Even our budget policies reflect strengthened disaster risk reduction and management efforts. The allocation for DRR investments in the national budget has increased from 1.4% in 2009 to 2.1% in 2011.[3] Furthermore, the previously called Calamity Fund, which was intended for response, recovery and rehabilitation after disasters, has been renamed National Disaster Risk Reduction and Management Fund under the 2014 National Budget, and thus can now be used for disaster prevention and preparedness programs.

DRRM must be at the core of business

[3] Global Assessment Report on Disaster Risk Reduction 2013

As we promote the faithful implementation of our policies, our call to the private sector is to put disaster resilience at the core of their business strategies.

The United Nations Office for Disaster Risk Reduction recently launched the R!SE Initiative "to mainstream disaster risk management into corporate planning and investment decision-making."[4]

The program stresses on the crucial role of the business sector in strengthening resilience. For instance, corporate planners and investment decision-makers should not only be aware of disaster risks but also follow land use plans and building codes.

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[4] UN'S new push to revolutionise business world's approach to disaster risk
R!SE: Disaster Risk-Sensitive Investments

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.

Business continuity plans and climate change adaptation

The business continuity plans, which reflect corporate strategy on how to swiftly spring back to operations after each disaster, are also crucial in climate change adaptation because adaptation begins with disaster risk reduction.

An ADB study on the economics of climate change revealed that the Philippines stands to lose six percent of its GDP annually by 2100 if it disregards climate change risks, but if it invests 0.5% of its GDP by 2020 in climate change adaptation, it can avert losses of up to 4% of its GDP by 2100—clearly a short term investment with a long term eight-fold gain.

Moreover, for every $1 invested in resilience and prevention, $4 - $7 are saved in response. Companies with best practices managing their risks produced earnings that were 40% less volatile, while average property loss is 20 times larger for companies with weak risk management practices.

With these studies and statistics as guide, our private sector can craft their BCPs bearing in mind that investing in adaptation is cost effective and ensures business resilience.

The business sector is also encouraged to conduct and share risk assessments of their companies, establish effective and efficient early warning systems and disaster plans in their respective corporations, and engage in advocacies that will protect our ecosystems, among other actions.

It is always in the best interest of everyone if our agenda is not only focused on profit or economic development and would go beyond traditional economic statistics. Our measure of growth should also consider the general well-being of the people as well as the safety and resilience of communities.

Thank you.