ICDRI 2021

International Conference on Disaster Resilient Infrastructure

17–19 MARCH 2021

CDRI

Coalition for Disaster Resilient Infrastructure

CONFERENCE BULLETIN | 19 MARCH 2021

The ICDRI 2021 is the third in the series of annual conferences of the Coalition for Disaster Resilient Infrastructure (CDRI). The Conference has a clear focus on various systems, sectors and themes which need to be made resilient for a sustainable future.

Building on the context set by the discussions of Day 2 of the ICDRI 2021, (available at: https://www.youtube.com/watch?v=EwzmBTH5OSk&list=UUh44NgGlVNdx0rtwel9OFvA), the proceedings of Day 3 focused on financing and investment, policy committment, standards, and governance and policy for resilient infrastructure.

SPECIAL ANNOUNCEMENT

Ms. Gloria Steele, USAID announced a support of US$9.2 million to the CDRI through USAID to strengthen CDRI and its technical leadership across three priority areas: increase financing to strengthen governance and carry out assessments for risk and resilience; support research and knowledge management for innovation, standards and certifications; and build advocacy and partnerships.

SESSION 1

Finance for Resilient Infrastructure

Moderator: Mr. Carlos Sanchez, Executive Director, Director, Climate Resilience Investment, Willis Towers Watson

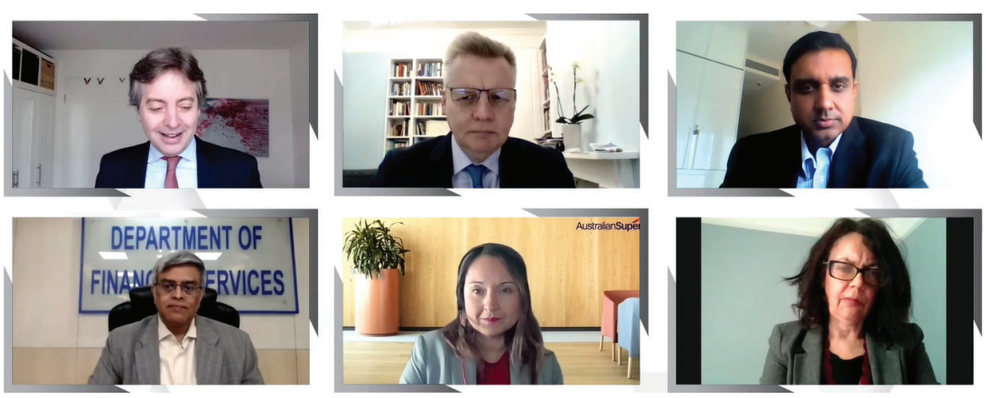
Speakers: Mr. Abhishek Poddar, Managing Director, Macquarie Infrastructure and Real Assets (MIRA), Macquarie Group

Mr. Pankaj Jain, Additional Secretary, Department of Financial Services, Ministry of Finance, Government of India

Ms. Kelly Christodoulou, Listed ESG & Stewardship Manager, Australian Super

Mr. Michael Ridley, Senior Responsible Investment Specialist, HSBC Global Asset Management (UK) Ltd

Ms. Rachel Turner, Director, International Finance at the Foreign, Commonwealth and Development Office



[Top row, left to right] Carlos Sanchez, Michael Ridley, Abhishek Poddar,
[Bottom row, left to right] Pankaj Jain, Kelly Christodoulou, Rachel Turner

Highlights

Climate change and related hazards have rapidly evolved from being perceived as a long- and medium-term concern to an immediate threat to social and economic continuity worldwide. As exposure to these risks are only expected to grow over the next few decades, ensuring that both existing and new investments in infrastructure can perform their function under such circumstances, is critical. The panel agreed that the private finance industry - in partnership with public institutions - will play a critical role in mobilizing private capital to advance investments in resilient infrastructure. This session laid out challenges faced in mobilizing private capital for investing in resilient infrastructure and brought out the need for data, new financial innovations, partnerships and investment models to finance disaster and climate resilient infrastructure.

Key Takeaways

- Increased frequency of policy dialogues between and among CDRI member countries on financing resilient infrastructure through greater public-private-partnership.
- Mainstreaming of climate and disaster resiliency

UNDRR UN Office for Disaster Risk Reduction | UNDP | Coalition for Climate Resilient Investment | TU Delft | TPM ResilienceLab | CEEW THE COUNCIL 10 YEARS

into infrastructure investment decisions by public and private sector.

» Advancement of global risk modelling capabilities able to inform the allocation of capital to infrastructure projects critical for the protection of economic and social value from physical climate risks.

» Funding which could be partly government along with certain incentives and capital structuring is required. Incentives to encourage climate friendly operations are also needed.

» Public and private sectors should use an appropriate investment model to internalise the climate change and disaster fiscal risks into decision making.

» A discussion about striking a right balance between risk return and the impact on the poorest is required to identify and choose the infrastructure to invest in.

» There is a need to raise awareness amongst various stakeholders to mainstream disaster resilience while planning a project and investigate national systemic exposure.

» Social impacts along with commercial impacts of infrastructure investments should also be taken into consideration. Government should ensure strengthening of not just assets but communities, and the surrounding ecosystem.

» There is a need to achieve right balance between regulatory, subsidiary, risk forecasting and insurance.

SESSION 2

Post-Disaster Recovery and Reconstruction

Moderator: Dr. Krishna S. Vatsa, Member, National Disaster Management Authority (NDMA)

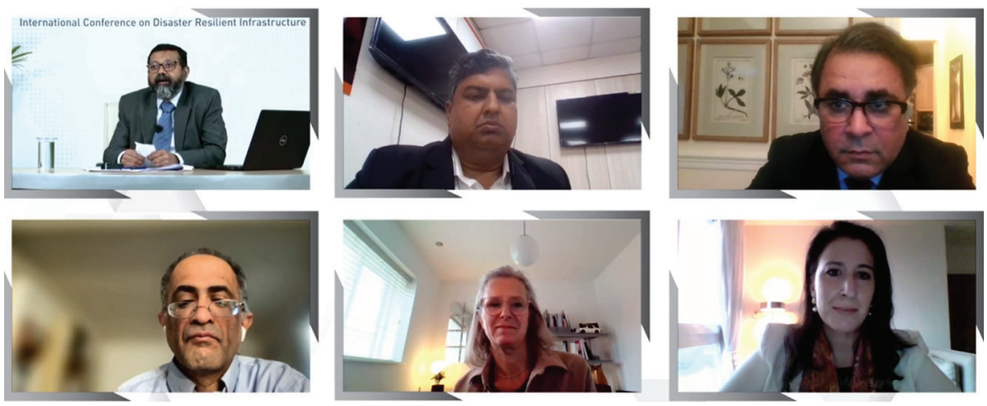
Speakers: Mr. Kaushlendra Tripathi, Director - Power & Utilities, PricewaterhouseCoopers Pvt. Ltd.

Mr. Ayaz Parvez, Lead DRM Specialist, GFDRR (WB), Washington DC

Prof. Anand Patwardhan, School of Public Policy, University of Maryland

Dr. Juliet Mian, Infrastructure Resilience Lead, ARUP

Ms. Elizabeth Petheo, Asia Pacific Regional Representative & Principal, Miyamoto International Inc



[Top row, left to right] Krishna S. Vatsa, Kaushlendra Tripathi, Ayaz Parvez
[Bottom row, left to right] Anand Patwardhan, Juliet Mian, Elizabeth Petheo

Highlights

A successful recovery effort depends on countries having mechanisms in place before disasters occur, to ensure that the recovery process is conceived, effectively initiated, and managed in a timely manner. The concept of resilience includes the ability to recover quickly after disasters and is essential to minimizing the impact of disasters on affected people. The session looked at three aspects of infrastructure recovery and discussed approaches to damage and loss assessment, identification and prioritization of recovery activities, financing and implementation of projects in a dynamic environment with various competing priorities.

Key Takeaways

» Investment in infrastructure resilience is critical to save big losses and help governments, businesses and communities to minimize disruption.

» A recovery programme needs to be developed with a focus on building national capacities. Policy commitments and reconstruction standards should be introduced. Overall, it should improve both the households and systems at which recovery is targeted.

» There is a need to rebalance the disaster components with a greater focus on recovery. However, the issue of distribution and equity of recovery assistance is equally important. Infrastructure recovery is not to be pursued independently as it supports and reinforces household recovery. Improving household access to robust and resilient infrastructure is an important goal.

SESSION 3

Governance and Policy

Keynote Speaker: Smt. Nirmala Sitharaman, Hon. Minister of Finance and Corporate Affairs, Government of India

Moderator: Mr. Sandeep Poundrik, Director General, CDRI

Presentation: Prof. Aromar Revi, Director of the Indian Institute for Human Settlements (IIHS)

Panellists: H.E. Alex Ellis, British High Commissioner to India; Ms. Gloria Steele, Acting Administrator, USAID; H.E. Satoshi Suzuki, Ambassador of Japan to India; Ms. Liza Silerio, ARISE Network UNDRR ARISE Global Board Member and SM Prime, Philippines; H.E. Ugo Astuto, Ambassador of EU to India; Dr. P. K. Mishra, Principal Secretary to Prime Minister of India; Mr. Kamal Kishore, Member, National Disaster Management Authority (NDMA), Government of India and Indian Co-Chair of CDRI's Executive Committee

[First row] Nirmala Sitharaman
[Second row, left to right] Sandeep Poundrik, Aromar Revi, Satoshi Suzuki
[Third row, left to right] Alexis Ellis, Gloria Steele, Ugo Astuto
[Fourth row, left to right] Liza Silerio, P.K. Mishra, Kamal Kishore

Highlights

Good governance and policy are critical enablers for the strengthening of all other building blocks of a resilient infrastructure ecosystem such as standards, certification systems, capacity building, finance, and innovation.

The session explored various perspectives across different countries in the context of building disaster resilient infrastructure. It articulated a set of near-term policy actions that are needed for disaster and climate resilient infrastructure.

Key Takeaways

» The countries need to rework the strategies to achieve three Ss- scope, scale and speed of climate finance in time.

» To respond effectively, fast, and deeply in an interconnected system, there is a need to address systemic risks; a holistic and broader approach is needed.

» Transitions in energy and industries, urban systems and infrastructure, natural systems (food and water systems) and finally social infrastructure or transitions in grey, brown and green and blue infrastructure can help to carry out sustainable development, disaster risk reduction and mitigation together and achieve 50 percent reductions target. Risk governance frameworks from the local to regional, national and global level can also aid this transition.

» Innovations in governance systems, public policy and private finance can aid in achieving resilience, and sustainable development simultaneously. Also, bringing together different stakeholders can reduce existing financial deficit for resilient infrastructure and decarbonization.

» There is a need to mainstream disaster risk reduction into policies, put into place appropriate legislations and mechanisms to ensure political commitment, make prior investments in hardware and software to reduce upstream risks, install built-in mechanisms to mitigate impact of natural hazards and invest in disaster resilient infrastructure to ensure sustainable development.

» Post-disaster analysis can be performed by governments to reflect new findings in revised measures.

» Private sector initiatives like Business Continuity Plan formulation including diversified investments should be encouraged.

» Good governance and private sector investments are key to finance high quality disaster resilient infrastructure. Advanced policy and legal reforms can help incentivise private sector investments and facilitate fair and open market competition.

» International environmental standards and social safeguards are important to ensure fiscal infrastructure development adapts to changing environment. These are also important to retain natural buffers that mitigate impacts of disasters, conserve biodiversity and help to prevent outbreaks that lead to diseases.

» Stronger policy for incorporating resilience into financial and investment decisions including setting up of incentives like tax breaks, insurance premiums and other innovative programmes can drive businesses to invest in resilience for private sectors.

» The governments may consider the following approaches for resilience of new infrastructure and legacy infrastructure: a big long-term gain to guide the long-term investment facility, the right analysis of the situation, the right institutional progress (reports and periodical check to see if the government is moving in the right direction), build the capacities of the public and private sector, the right data and in some cases, nature-based solutions.