News release

|  |  |
| --- | --- |
| *Date* | **27 May 2014** |
| *Contact* | **Mike Ascolese**, PwCTel: + 1 646 471 8106 e-mail: mike.ascolese@us.pwc.com |
| *Pages*  | 2 |

**UN’s new push to revolutionise business world’s
approach to disaster risk**

**NEW YORK, 27 May 2014** -- The UN Office for Disaster Risk Reduction (UNISDR) has launched the R!SE Initiative to mainstream disaster risk management into corporate planning and investment decision-making.

The R!SE initiative brings together leading names in business, investment, insurance, the public sector, business education and civil society to develop and promote global standards on risk metrics and voluntary industry standards for disaster risk-sensitive investment following ten years of record-breaking economic losses and disruption.

This new partnership comprises PwC, The Economist Intelligence Unit (EIU), Florida International University (FIU), Principles for Responsible Investment (PRI), AECOM and Willis. The initiative follows on a statement by the UN Secretary-General Ban Ki-moon that “economic losses are out of control and can only be reduced in partnership with the private sector.”

Jan Eliasson, Deputy Secretary-General of the United Nations, congratulated business leaders and UNISDR on the launch of R!SE, stating that this initiative “provides a new formula for averting economic losses from disasters, which are a major brake on economic growth and development. Because R!SE brings together businesses, investors, insurers, public bodies and educators, it can be the catalyst we need to bring lasting change to how we approach risk.”

Margareta Wahlström, Head of the UN Office for Disaster Risk Reduction (UNISDR), explained: “Corporate planners and investment decision-makers must be aware of disaster risk. They owe it to their employees and shareholders. Managing disaster risk is good for the world’s economy and will help avoid job losses and reverses in economic development from events which are largely predictable in scale and scope whether its floods, storms or earthquakes. There are consequences for ignoring the principles of good land-use and building regulations in any business.

“The goal of the R!SE Initiative is to revolutionize the way the world does business. Disaster risk is not natural but is produced by investment decisions and the range of factors that influence those decisions. Embedding disaster risk management in business processes is key to resilience, competitiveness and sustainability

By 2020, the R!SE Initiative will have reached out to a minimum of 1,000 asset owners and investment managers, 200 insurers and re-insurers and 100 global businesses in at least 50 cities and 20 countries.

As a founding member of the R!SE Initiative, PwC is unlocking innovative approaches on disaster risk management and is becoming a representative of the private sector in relation to the UN and the broader global public sector. PwC has identified an untapped opportunity in cross-industry and cross-sector disaster risk management collaboration, building on work it already carried out in 2012 with UNISDR and 14 leading private sector companies from various industries, all having a global footprint and all widely exposed to natural hazards.

PwC will lead two Activity Streams and leverage its global network of firms and expertise in enterprise risk management, actuarial modelling, sustainability, climate risk, business continuity planning, business operations improvement and supply chain optimization to support the private sector in developing improved disaster risk management capacities and support the development of voluntary industry standards for disaster risk management.

The Economist Intelligence Unit will develop risk analysis for economic and business forecasts that include disaster risk. The methodologies will leverage its experience in developing country-level operational risk ratings seeking to score countries based on the likelihood that their business operating environment will suffer disruptions in the event of a disaster. In doing so, it will examine how to allow Annual Average Loss and Probable Maximum Loss figures, available from the UNISDR Global Risk Model, to be factored into investment decisions.

Florida International University will take the lead on supporting academic institutions, training centres and business associations in improving their curricula on business risk management, particularly in MBA programmes.

The United Nations-supported Principles for Responsible Investment will engage major institutional investors, such as sovereign wealth and pension funds, to consider disaster risk in their investment portfolios. The aim is to have at least 1,000 investment managers committed to disaster risk-sensitive investments by 2020.

AECOM will support local business communities, municipalities and cities to measure and improve city-level disaster preparedness across 50 cities initially. AECOM and IBM have already developed a city Resiliency Score Card for use by 1,800 cities and towns involved in UNISDR’s Making Cities Resilient Campaign.

Willis will support the goal of increasing access to optimal and sustainable disaster insurance, particularly in emerging economies. By 2020, 50 businesses will have benefitted and 200 (re-) insurers will have revised the pricing of risk based on state-of-the-art risk data. It will further support the correct pricing of risk and the development of insurance incentives for disaster risk reduction.

Notes to editors:

**About PwC**

PwC helps organisations and individuals create the value they’re looking for. We’re a network of firms in 157 countries with more than 184,000 people who are committed to delivering quality in assurance, tax and advisory services. Tell us what matters to you and find out more by visiting us at [www.pwc.com](http://www.pwc.com/gx).

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

2014 PricewaterhouseCoopers. All rights reserved.