

NEWS

PROVENTION
CONSORTIUM

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The ProVention Consortium is a global partnership of governments, international organisations, academic institutions, the private sector and civil society organisations dedicated to increasing the safety of vulnerable communities and to reducing the impacts of disasters in developing countries.

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ProVention News provides a brief update on current ProVention activities, events and recent publications or resources for organisations and practitioners active in disaster risk management. For more information on the ProVention Consortium please visit www.proventionconsortium.org.

Launch of ProVention new website

The ProVention Consortium is pleased to announce the launch of its new website (www.proventionconsortium.org), which includes detailed information on ProVention's current activities and resources, such as a toolbox for risk assessment, guidance on mainstreaming risk reduction into development planning, lessons learned on recovery and analysis of private sector engagement and risk transfer solutions.

Please send your feedback and suggestions to the ProVention Secretariat at provention@ifrc.org! ■

2006 ProVention Forum

The 2006 ProVention Forum, held in Bangkok on February 2-3, brought together more than 100 participants to explore key challenges in disaster risk reduction and address the central theme of '*Incentives for reducing risk*'. The Forum provided an opportunity to gather together many more ProVention partners in one setting, connecting different actors to look at critical issues and new ideas from both global and regional Asian perspectives.

EU parliamentarian, Anders Wijkman, provocatively launched the discussion in the keynote address with a set of 13 action points for increasing incentives for disaster risk reduction, and participants continued the discussions in the six workshop sessions that followed (outlined at right). Topics ranged widely in the discussions, including approaches to improving risk assessment, suggestions to establish a task force on catastrophe insurance for developing countries, and a lively debate on the role of the state in risk reduction and recovery. Drawing on the breadth of comments contributed during the dialogue, the final plenary session of the Forum reviewed the implications of the issues raised for the work of ProVention and gathered collective recommendations for future initiatives and activities for ProVention as a Consortium in response to the gaps and ideas that were highlighted. The Forum dialogue and recommendations will be used by the ProVention Secretariat and Advisory Committee to guide the direction of the ProVention work programme.

In addition to the formal activities, many participants also appreciated the opportunities for informal networking and dialogue in the corridors, and the Forum report strives to capture the key points from both the formal and informal streams of dialogue. The report highlights the emerging issues, ideas and challenges from the Forum, including an overview of each of the workshops, and concludes with a set of specific recommendations for follow-on initiatives and activities.



The Forum dialogue focused on six themes:

- Evidence of changing patterns of risk and new perspectives on disaster vulnerability
- Government incentives – and disincentives – for investing in disaster reduction
- Post-disaster recovery: is there a real window of opportunity for reducing risk?
- Balancing state responsibility and community action in risk reduction
- Risk transfer solutions and the business case for managing risk
- Turning learning and knowledge into action: is it time to rethink our approach?

For a copy of the Forum report, keynote address and workshop papers, please see the ProVention website: www.proventionconsortium.org/?pageid=42. ■

Lessons learned on post-disaster relief and recovery

After the earthquake in October 2005 that affected Pakistan and India, ProVention collaborated with ALNAP to draw together past lessons as a guide for ongoing response and recovery planning. The collaboration resulted in two briefing papers synthesising key lessons learned from past disaster response operations and intended for operational decision-makers and relief/recovery programme managers. The papers reflect an ongoing interest within ProVention to make lessons learned, such as those developed in the previous ProVention/World Bank Recovery Lessons Learned, more readily available during critical relief and early recovery activities.



The first briefing covered relief and response priorities. The second paper focused on targeting, participation, assessment, shelter and housing, risk reduction, and policy during recovery. To maximise utility for government and community organisations in Pakistan, the second paper was also translated into Urdu. These lessons learned have been widely disseminated among agencies and governments involved in the South Asia operation.

For copies of the papers and further information about this initiative, please visit www.proventionconsortium.org/?pageid=32&projectid=24. ■

Tools for mainstreaming risk

Natural hazards and related vulnerability are rarely considered in development planning and seldom factored into the design and appraisal of development projects. Indeed, the recent World Bank Evaluation 'Hazards of Nature, Risks to Development' recommends that "in highly vulnerable countries, there is a need to make provisions to give more attention to natural hazards during the appraisal of investment projects generally, and specifically in the preparation of PRSPs, CASS and other strategic documents."

ProVention's recent mainstreaming efforts have, therefore, focused on the development of practical tools for integrating natural hazard risk management into development planning, project appraisal and evaluation.

This has involved the production of a series of guidance notes for adapting existing

- development planning tools (*country strategy papers and poverty reduction strategy papers*),
- project appraisal tools (*environmental impact assessment, economic appraisal, vulnerability and social analysis, and sustainability livelihoods*)
- and monitoring and evaluation tools.

Additional tools have been developed on collecting and using information on natural hazards and integrating disaster risk management into the project cycle management.

The set of tools will be presented for review and pilot testing at a workshop to be hosted by the Caribbean Development Bank in May 2006. A wide range of ProVention partners have contributed towards the development of these tools, a number of whom will participate in the CDB workshop to finalise the production of the tools, including CDB, IADB, World Bank, DFID, CIDA, GTZ, UNDP, ISDR, ActionAid and Tearfund. The complete set of tools will be published and posted on the ProVention website in the latter part of the year.

For more information, please visit www.proventionconsortium.org/?pageid=32&projectid=8 ■

'Hazards of Nature, Risks to Development': World Bank evaluation urges for a shift of focus from reactive post-disaster reconstruction to proactive management of risk

In April 2006, the World Bank published the results of a comprehensive evaluation of World Bank assistance for natural disasters since 1984. Altogether the evaluation team looked at 528 projects totalling \$26 billion in disaster-related assistance over a twenty year period in addition to reviewing World Bank policies and strategies regarding disasters. The evaluation also notes the World Bank's role in establishing the ProVention Consortium and involvement in various ProVention activities over the last six years. While overall the evaluation commends the flexibility demonstrated by the World Bank in supporting post-disaster recovery and reconstruction in particular, it also highlights the need for still greater pre-disaster investment in prevention and mitigation and increased attention to disaster risk reduction in general as a standard component in World Bank development projects.

To launch the report, the World Bank's Independent Evaluation Group (IEG) hosted a conference on Friday, April 21, 2006 in Washington, D.C., bringing together government and civil society representatives and World Bank staff to share views on how to improve the effectiveness of international support for natural disasters response and mitigation. David Peppiatt from the ProVention Secretariat participated

as a panellist at the conference and highlighted in particular that a shift of focus from ex-post to ex-ante assistance will require development assistance to give significant political and economic incentives, such as financial concessions or effective risk reduction measures or rewards for good hazard risk management, in order to persuade high risk countries to invest in proactive risk reduction over reactive response and redress the perverse incentives towards relief and reconstruction. For more information about either the report or conference, visit the World Bank IEG website at

www.worldbank.org/ieg/naturaldisasters.

Excerpts from evaluation demonstrating how disasters can erase development gains:

- In Mozambique, Bank lending financed the construction of 487 schools. But the most recent disaster alone ... damaged or destroyed about 500 primary schools as well as 7 secondary schools.
- The Kashmir earthquake of October 2005 caused an estimated \$5 billion in damage in Pakistan, roughly equivalent to the total official development assistance for the preceding 3 years, and equivalent to the amount the World Bank had lent to the country over the preceding 10 years.

Urban risk management

A growing number of Consortium partners have identified urban risk management as a key concern for the ProVention agenda. In this regard, ProVention is currently supporting two projects addressing urban risk.

The **African Urban Risk Analysis Network (AURAN)**, a pan-African initiative supported by ProVention and UNDP, held an International Workshop on 'Mainstreaming Disaster Risk Reduction in the Management of Urban Planning and Governance in Africa' on March 7-9 in Cape Town, South Africa. The International Workshop was hosted by the Disaster Mitigation for Sustainable Livelihoods Programme at the University of Cape Town (DiMP/UCT) in collaboration with ProVention, UNDP/BCPR and the International Institute for the Environment and Development (IIED). The Workshop brought together over 30 experts, practitioners and government officials with a common interest and concern in urban disaster risk research and management in Africa. The key objectives of the workshop included the presentation, review and comparison of six country specific urban disaster risk research projects, dissemination of research findings through the new AURAN web site and discussion on the next phase of AURAN's activities. Although topics discussed ranged from earthquake vulnerability studies in Algiers, fires in informal settlements in Cape Town through to road traffic accidents in Kenya, all projects presented held the common strand of risk reduction. Besides the academic and technical gains made, relationships were also strengthened through both the formal as well as informal interaction between AURAN members and new partners, such as the Red Cross, local government representatives and NGOs from different African countries.

More information on this initiative can be found at: www.auranfrica.org, and www.proventionconsortium.org/?pageid=32&projectid=4.

ProVention is also jointly supporting with UNDP the **Earthquake & Megacities Initiative (EMI)** to develop and demonstrate methodologies and mechanisms for integrating disaster risk management into municipal/local government-level urban planning.

The ProVention portion of the project will produce a set of guidance notes relating specifically to mainstreaming risk reduction into the urban master planning process - targeting the range of city planners, municipal officials, and community organisations which participate in the urban planning process.

EMI has recently conducted a series of workshops on urban risk indicators (the latest in Seeheim, Germany on February 17-19, 2006 as well as an upcoming meeting in Manila in May, 2006) and has initiated the development of training materials that will be tested in pilot city projects in Manila, Mumbai and Kathmandu.

The results of these two streams of activities will be incorporated into the guidance notes mentioned above and will also be linked with other ProVention activities on indicators and learning, including the Mainstreaming Tools for Risk Reduction and GRIP initiatives and ongoing interest in professional education particularly in Africa.

For more details about the project with EMI, please see:

- www.earthquakesandmegacities.org or
- www.proventionconsortium.org/?pageid=32&projectid=2. ■

The business case for disaster reduction

A recent global Corporate Risk Survey carried out by Swiss Re ranked natural disasters as number 8 of the top 10 risks faced by business leaders. However, surprisingly, business involvement in disaster mitigation and prevention remains limited and it has proved challenging to persuade businesses to take a more proactive and preventive approach to dealing with natural disasters. ProVention is therefore working with corporate sector partners to strengthen a corporate social responsibility (CSR) perspective to disaster reduction and help build a better business case. This has resulted in a study, *Disaster prevention: a role for business?*, which examines the business case for reducing natural disaster risk in developing countries and the potential for disaster prevention partnerships with the private sector.

The study shows that the evolving concept of CSR can provide a good vehicle for encouraging business participation in disaster reduction. CSR is generally defined as being concerned with how business adds value to society as well as to its shareholders; how it acts as a partner in development; how it is accountable socially,

environmentally and financially; and how it fulfils its responsibilities as a corporate citizen. CSR is increasingly viewed as an important part of the business case for operations in developing countries where environmental and social accountability, corporate citizenship, reputation enhancement, risk management and business continuity must all be factored in.

For businesses operating in disaster prone regions, effective disaster risk reduction can serve both core business interests- by reducing the risks of business interruption, lost production time, damage to facilities, legal liability, sudden losses and unexpected shocks- and the interests of the society in which they operate. Yet certain business operations can equally contribute to increasing the vulnerability of populations to disaster events and exacerbate social and environmental risks. Core business activities therefore need to factor disaster risk into planning and operations, not just those risks present for business but the wider social and environmental risks for the local community as a result of business activities. Minimising and mitigating risks to business operations, trading and customers can, therefore, reinforce a company's 'social licence to operate' and increasingly be seen as "the right thing to do".

The study offers a range of ideas and options for potential disaster prevention partnerships with the private sector but recognises that the lack of empirical evidence and well documented cases of business involvement to date presents a genuine obstacle. The challenge, it seems, is to identify existing and mature disaster management partnerships with the private sector that can be better aligned to prevention.

The study has been undertaken in collaboration with Maplecroft, a leading CSR research group working with the World Economic Forum, and can be found on the ProVention website at www.proventionconsortium.org/?pageid=32&projectid=12. ■

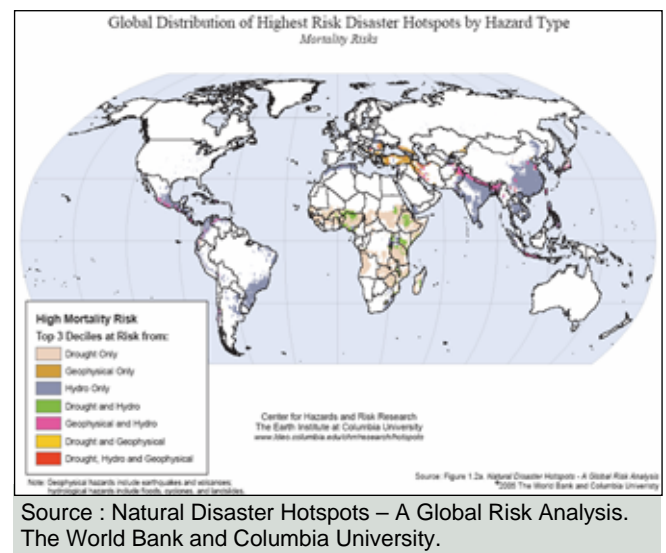
Global Risk Identification Programme

ProVention's involvement in the Disaster Risks Hotspots project has led to the launch in 2005 of the Global Risk Identification Programme (GRIP) which aims to improve the quality, availability and access to analysis, data and information on natural hazard risks. GRIP, a major global initiative lead by UNDP in collaboration with ProVention and other organisations active in disaster risk identification, is intended to support and coordinate activities to promote systematic improvement and application of risk and loss information and thus help guide decision-making and prioritise investments in disaster risk management.

GRIP will focus on three priority areas:

- Target high-risk countries – GRIP will initially target 3-4 key high-risk countries to generate accurate evidence and information on disaster risks and losses to assist with identifying viable risk management options.
- Risk assessment and loss data projects – In 10-15 countries, GRIP will support risk assessment and the compilation of disaster loss data to improve evidence base for risk management decision making.
- Capacity development- GRIP will compile risk and loss assessment methodologies, good practices and resources and also develop training programmes to strengthen national capacities in risk identification.

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For more information on GRIP, including a risk assessment toolbox, see www.proventionconsortium.org/?pageid=32&projectid=3 or contact the GRIP Coordinator, Carlos Villacis: carlos.villacis@undp.org. ■

Applied research grants for disaster risk reduction

In March 2005, ProVention launched a second round of grants to support applied research on disaster risk management and invest in young professionals dedicated to reducing disaster risk in developing countries. Over 200 students and young professionals from developing countries submitted creative research proposals.

In August, grant awards of up to USD 5,000 were awarded to 53 projects judged by a panel of independent evaluators. The projects are now being completed under the guidance of research project mentors with support from ProVention partner academic institutions. Together the 53 project teams include students and young professionals from 34 countries, including Algeria, Argentina, Armenia, Bangladesh, Burundi, Cameroon, China, Colombia, Costa Rica, Haiti, Honduras, India, Indonesia, Jamaica, Kenya, Kyrgyzstan, Lebanon, Mexico, Mongolia, Namibia, Nepal, Pakistan, Philippines, Russia, South Africa, Sri Lanka, Tajikistan, Tanzania, Thailand, Turkey, Uganda, Uzbekistan, Vietnam, and Westbank / Gaza.

The Applied Research Grants Programme is managed by ProVention as a collaborative initiative with the University of Wisconsin Disaster Management Center (UWDMC), Asian Disaster Preparedness Center (ADPC) in Bangkok, and Disaster Mitigation for Sustainable Livelihoods Programme (DiMP) in Cape Town. These academic centres provide oversight of the Programme, administer the grants and guide the research in each region, involving regional web conferences and linking up the young researchers with one another as well as other research networks. For additional information, visit www.proventionconsortium.org/?pageid=32&projectid=5. ■

Community risk assessment toolkit and network

The Community Risk Assessment (CRA) Toolkit has recently been completed with a search tool, a glossary, and a selection of key links to community based disaster risk management and participation resources. The Toolkit now contains four main features:

- A **register of methodological resources and a compendium of case studies**. For most methods and case studies a guidance note has been developed. Each note provides a detailed analysis of the method and case study concerned and also presents a brief abstract. Guidance notes are 3-6 page outlines which enable users of the CRA toolkit to identify the most appropriate assessment methodologies and applications.
- A **search tool**, which allows users to carry out a search in the guidance notes according to a wide range of predetermined categories, such as type of material, geographical focus, hazard type, scale of assessment, and intended end users.
- A **glossary of terms**, which provides a detailed description, and where available a definition, of more than 70 CRA concepts, methods and tools.
- **Additional links to CRA, CBDRM and Participation materials**. This section contains additional CRA material and information on implementation of risk reduction actions at the community level, such as community based disaster preparedness, mitigation and recovery. Furthermore, links to key participation websites, publications and conceptual articles as well as information on participatory action research (PAR) are provided.

CRA Toolkit search engine

Select your keyword(s)

Type of material [?] :	<input type="text"/>	<input type="button" value="v"/>
Geographical focus :	<input type="text"/>	<input type="button" value="v"/>
Hazard risk type :	<input type="text"/>	<input type="button" value="v"/>
Intended end users :	<input type="text"/>	<input type="button" value="v"/>
Scale of assessment :	<input type="text"/>	<input type="button" value="v"/>
Sector focus :	<input type="text"/>	<input type="button" value="v"/>
Disaster risk assessment methods [?] :	<input type="text"/>	<input type="button" value="v"/>
General assessment methods [?] :	<input type="text"/>	<input type="button" value="v"/>
Participatory tools [?] :	<input type="text"/>	<input type="button" value="v"/>
Technical assessment tools [?] :	<input type="text"/>	<input type="button" value="v"/>

Following the completion of the toolkit an evaluation will take place, making use of an online questionnaire. CRA Network partners will also hold workshops, where the Toolkit will be tested. The CRA Toolkit can be found at: www.proventionconsortium.org/?pageid=39.

The CRA Network functions as a community of practice, which aims to facilitate the sharing of information and resources on CRA amongst risk experts and practitioners currently contains 145 names. To subscribe to the CRA mailing list, please contact cra@ifrc.org. The list is used for:

- Sharing relevant documents on CRA, such as methodologies, case studies, conceptual articles, workshop reports;
- Announcing CRA events with a global or regional relevance, such as workshops or training seminars;
- Informing network members about links to web-based CRA resources. ■

Community based Vulnerability and Capacity Assessment (VCA) in Central America

This project, supported by ProVention, is a collaborative effort between OAS, IFRC and RC National Societies in Belize, Costa Rica, Honduras and Guatemala aimed at building the capacity of local authorities, RC and communities in Central America in carrying out vulnerability and capacity assessments (VCAs) and developing risk reduction activities at the community level. In this respect, the project is closely linked to ProVention's wider Community Risk Assessment initiative outlined above.

VCAs have been completed in 16 pilot communities (4 in each project country) and a VCA Toolkit, including a set of manuals, has been jointly developed by IFRC/OAS/PAHO for community-based risk reduction activities in:



- Awareness raising on flood risks
- Community dialogue on water and climate risks
- Environmental protection and waste management

- Use of community facilities as emergency shelter
- Maintenance of school safety
- Protection of rural water supplies
- Community early warning systems for small valleys

These project outputs and resources (in Spanish), including an interactive VCA Toolkit CD ROM, can be found at: www.cruzroja.org/desastres/redcamp/Proyectos.htm. ■

The potential of microinsurance for the poor

Recognising that the poor in high-risk countries seldom have access to insurance coverage, ProVention has been developing the potential of microinsurance as a tool for managing disaster risk. Microinsurance is the protection of low-income households or business against specific perils in exchange for regular monetary payments (premiums) proportionate to the likelihoods and cost of the risk involved. Such risk pooling allows many individuals or groups to share the costs of a risky event. Microinsurance is an emerging area of risk transfer attracting growing interest from both the development community as a form of social protection and the insurance industry as a potential new market. The key challenges, however, are how affordable insurance is for the poor and how viable such schemes are from a commercial point of view. Moreover, to what extent can microinsurance contribute to reducing risk or provide incentives for mitigation and prevention measures?

To address these challenges, ProVention has supported a pilot microinsurance scheme in India, 'Afat Vimo' implemented by the AIDMI, in parallel with a

wider research initiative in collaboration with IIASA to review microinsurance experiences in responding to natural hazard risk and critically analyse the potential benefits and limitations of microinsurance as a risk transfer mechanism. This review demonstrates the potential of microinsurance programmes to protect the poor against the consequences of natural disaster shocks by providing post-disaster liquidity to poor households and thus help to secure livelihoods, replenish assets and facilitate recovery and reconstruction. Moreover, certain schemes, such as index-based insurance and weather derivatives, have demonstrated their value in improving the creditworthiness of farmers and enabling productive investment. However, the long-term viability of such programmes, particularly in the face of large covariant losses, is still to be determined. The review concludes with a number of key challenges and next steps for the evolving microinsurance agenda.

The ProVention/IIASA review of microinsurance is now posted on the ProVention website: www.proventionconsortium.org/?pageid=32&projectid=14. ■



ProVention 2005 annual report

For more information on the Consortium's activities in 2005, please see ProVention's annual report 2005, available for download at: www.proventionconsortium.org/?pageid=37&publicationid=118#118.

PROVENTION PARTNER IN THE SPOTLIGHT

ProVention News includes a profile of different partners of the Consortium. This edition focuses on the Munich Re Foundation, a foundation which aims to reduce risks through selected project activities and provides a forum for knowledge exchange and dialogue.



Munich Re Foundation

Global reinsurer Munich Re has been handling global risks for over 125 years and has built up extensive technical expertise and know-how in risk management. Partners and clients in over 150 countries form the basis of an exceptional knowledge network.

Created in April 2005 to share knowledge and expertise about global risk management, the Munich Re Foundation offers a platform for multidisciplinary dialogue and action. People at risk are at the core of the Foundation's work, which aims to mitigate global risks, in particular related to population development and water and improve living conditions of populations at risk.

The Foundation helps to create knowledge, facilitates interdisciplinary exchange and dialogue, and strives to implement innovative but simple solutions. Converting knowledge into action is the abiding principle of the Foundation. The Foundation activities revolve around four main objectives:

- Knowledge accumulation and sharing
- Advocacy and sensitization
- Interdisciplinary networking
- Field projects

The thematic areas addressed by the Munich Re Foundation include:

- Water: resource and risk factor
- Environmental and climate change
- Disaster prevention
- Development
- Poverty and micro-insurance
- Urbanisation and Megacities

Munich Re Foundation's collaboration with ProVention focuses on microinsurance, specifically to examine the potential of microinsurance as an innovative risk transfer solution and new market product of commercial viability. The Foundation in cooperation with the CGAP working group on Microinsurance recently hosted an international conference, "Making Insurance Work for the Poor: Current Practices and Lessons Learnt" to analyse case studies of microinsurance schemes from around the world, and to use this forum to debate the feasibility, affordability and commercial viability of extending microinsurance cover to low-income households and business in developing countries. A comprehensive book on Microinsurance will be published late 2006 and a follow on conference will take place in November in South Africa.

More information on the Munich Re Foundation's activities can be found at: www.munichre-foundation.org. ■

Munich Re recent publications

Topics Geo – Annual review: Natural catastrophes 2005



Munich Re presents the current issue of its annual natural catastrophes review. The year 2005 was marked by weather-related natural catastrophes. Roughly half of all the loss events recorded were windstorms, with costs to be borne by the world's economies exceeding US\$ 185bn.

Previous issues have long been warning that increasing global warming will be accompanied by extraordinary weather related natural catastrophes and explaining why there is a likelihood of greater loss potentials. The company's fears were confirmed in 2005.

In this issue: Hurricane season – Time to rethink, The Kashmir quake, The climate conference in Montreal, Climate review 2005.



Hurricanes – More intense, more frequent, more expensive

Insurance in a time of changing risks

In 2005, the hurricanes in the Atlantic broke all meteorological and monetary records – one more reason to examine the risk in greater detail. The current situation for the insurance is marked by a significant increase in the annual average loss and changes in the return periods of accumulation losses. For the purposes of this publication, Munich Re and American Re have collected and evaluated information derived from scientific sources and insurance practice.

It looks at the hurricanes 2004 and 2005 against the background of climate cycles and global warming, and it points out the consequences for the insurance industry.

These two publications are available free of charge. They can be downloaded from Munich Re's website (www.munichre.com). Hard copies can be ordered from Angelika Wirz (awirtz@munichre.com). ■