



UNITED NATIONS ENVIRONMENT PROGRAMME

Programme des Nations Unies pour l'environnement Programa de las Naciones Unidas para el Medio Ambiente
Программа Организации Объединенных Наций по окружающей среде برنامج الأمم المتحدة للبيئة
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PRESS RELEASE

At Landmark UN Conference on Disaster Risk Reduction

Top Insurers Call for Urgent Action to Reduce Risk from Natural Disasters, Highlight US \$190 Billion Annual Losses and Threat to Lives and Livelihoods

Sendai, Japan, 14 March 2015 – Top insurers from around the world have called on governments, Saturday, to step up global efforts to build resilience against natural disasters, highlighting that average economic losses from disasters in the last decade amounted to around US \$190 billion annually, while average insured losses were at about US \$60 billion.

The ‘*United for Disaster Resilience Statement*’ was released at the opening of the 3rd UN World Conference on Disaster Risk Reduction by top insurance companies, members of the UNEP FI Principles for Sustainable Insurance (PSI)—the largest collaborative initiative between the UN and the insurance industry. PSI is backed by insurers representing about 15 per cent of the world’s premium volume and US \$9 trillion in assets under their management.

The Statement urges governments to adopt the UN Post-2015 Framework on Disaster Risk Reduction, emphasizing that the insurance industry is well placed to understand the economic and social impact of disasters given that its core business is to understand, manage and carry risk.

The Statement also underscores the value of disaster risk reduction, especially in the context of climate change adaptation, and the need for climate change mitigation. It welcomes the inclusion of the private sector in the new global framework for disaster risk reduction, which is expected to be adopted in Sendai.

Achim Steiner, UN Under-Secretary-General and Executive Director of the UN Environment Programme (UNEP) said, “Building disaster-resilient communities and economies for the future will require an ‘all hands on deck’ approach. Public-private collaboration is key to the success of such efforts.”

“The vision and initiative demonstrated by the insurance industry—from the launch of the landmark *Principles for Sustainable Insurance* at the Rio+20 conference to the strong, united commitments made, here, in Sendai—provide inspiration and a way forward.”

“Disasters undermine hard-earned development gains and perpetuate poverty. Over one million people lost their lives due to natural disasters in the last one hundred years and the numbers have almost doubled in the last decade alone, with average economic losses estimated at US \$190 billion annually. Building resilience against natural disasters, exacerbated by climate change, is a global priority that calls for decisive and urgent action by multiple actors at all levels,” he added.

UNISDR head, Margareta Wahlström, the Special Representative of the UN Secretary-General for Disaster Risk Reduction said, “The vision outlined by the insurance industry in shaping a resilient and sustainable future should inspire other industries to do the same. The strong engagement of the private sector is crucial to reducing disaster risk and avoiding the creation of new risks. Through its united stance on and commitment to disaster resilience, the insurance industry is leading by example.”



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Another PSI initiative launched in Sendai called on individual insurance organisations to help implement the Post-2015 Framework for Disaster Risk Reduction by making voluntary, specific, measurable and time-bound commitments. These initiatives are in line with the PSI's vision—a risk aware world, where the insurance industry is trusted and plays its full role in enabling a healthy, safe, resilient and sustainable society.

The voluntary commitments will follow the global framework afforded by the four Principles for Sustainable Insurance, and will show concrete actions that build disaster resilience, and promote economic, social and environmental sustainability. These commitments will be aggregated and promoted en route to a major UNEP and insurance industry event this May, which will be hosted by the global reinsurer, Swiss Re. The commitments will also be promoted by the PSI at the Global Insurance Forum of the International Insurance Society in New York this June. The forum will include a dedicated day at the UN headquarters for insurance industry leaders and UN officials to address sustainable development challenges and opportunities, from climate change and disaster risk, to financial inclusion and ageing populations.

Michael Morrissey, President & CEO of the International Insurance Society, a signatory to the statement said, "Managing risk is core to the purpose of the insurance industry. Recognising the unique roles of the insurance industry as risk managers, risk carriers and institutional investors is key to harnessing its full potential in disaster risk management, and in supporting the transition to a sustainable economy. We look forward to strengthening our collaboration with the UN in this milestone year for sustainable development."

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Notes to editors

To view the '*United for Disaster Resilience Statement*' produced by the UNEP FI Principles for Sustainable Insurance, please visit: www.unepfi.org/psi/united-for-disaster-resilience/

About the UNEP FI Principles for Sustainable Insurance Initiative

Endorsed by the UN Secretary-General and launched at the 2012 UN Conference on Sustainable Development, the UNEP FI Principles for Sustainable Insurance serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities. Developed by the United Nations Environment Programme Finance Initiative (UNEP FI), the Principles have led to the largest collaborative initiative between the UN and the insurance industry—the PSI Initiative. As of March 2015, 80 organisations have adopted the Principles, including insurers representing about 15% of world premium volume and USD 9 trillion in assets under management. The Principles are part of the insurance industry criteria of the Dow Jones Sustainability Indices, FTSE4Good, and BM&FBOVESPA Corporate Sustainability Index.



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The vision of the PSI Initiative is of a risk aware world, where the insurance industry is trusted and plays its full role in enabling a healthy, safe, resilient and sustainable society. The purpose of the PSI Initiative is to better understand, prevent and reduce environmental, social and governance risks, and better manage opportunities to provide quality and reliable risk protection.

Learn more about the PSI Initiative at: www.unepfi.org/psi

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