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GLOBAL SEMINAR ON DISASTER RISK FINANCING: TOWARDS THE DEVELOPMENT OF EFFECTIVE APPROACHES TO THE FINANCIAL MANAGEMENT OF DISASTER RISKS

17-18 September 2015, Kuala Lumpur, Malaysia

AGENDA

SEPTEMBER 16 (afternoon)	
<i>The ASEAN Insurance Training & Research Institute will organise a half-day city tour of Kuala Lumpur for interested participants in the seminar (from 13:30-17:30). Please see the Administrative and Logistical Information note for further details.</i>	
SEPTEMBER 17	
08:30 – 09:00	Registration of participants
09:00 – 09:15	Opening remarks: Dato’ Syed Moheeb Syed Kamarulzaman , CEO, ASEAN Insurance Training and Research Institute (AITRI) Mr. Rintaro Tamaki , Deputy Secretary General, Organisation for Economic Cooperation and Development
09:15 – 10:45	SESSION 1: The need to develop disaster risk financing strategies: considerations and international guidance <i>Disasters can have significant financial implications for governments, businesses and households through direct damages to infrastructure and property as well as disruptions to economic activities and livelihoods. The development of disaster risk financing (DRF) strategies can support governments’ efforts to manage these significant financial implications. This session will provide an overview of the need for the effective financial management of disaster risks and elements necessary for the development of disaster risk financing strategies.</i> <ul style="list-style-type: none"> • <i>Why is it important to develop strategies for the financial management of disaster risks?</i> • <i>What international guidance and support is available to countries seeking to develop such strategies?</i>
	Moderator: Mr. Odd Per Brekk , Director, Regional Office for Asia and the Pacific, International Monetary Fund Speakers: <ul style="list-style-type: none"> • <i>The case for disaster risk financing</i> Ms. Charlotte Benson, Senior Disaster Risk Management (Disaster Risk Financing) Specialist, Climate Change and Disaster Risk Management Division, Asian Development Bank

	<ul style="list-style-type: none"> • <i>A framework for the financial management of disaster risks: development of disaster risk financing strategies</i> Mr. Leigh Wolfrom, Policy Analyst, Directorate for Financial and Enterprise Affairs, Organisation for Economic Cooperation and Development • <i>Financial protection against natural disasters: operational framework for disaster risk finance</i> Mr. Olivier Mahul, Disaster Risk Financing and Insurance Program Manager, World Bank • <i>Importance of a holistic approach to financial management of disaster risks: Australia's experience</i> Ms. Samantha Ward, Director, Emergency Management Policy Branch, Attorney-General's Department, Australia
10:45 – 11:00	Coffee break
11:00 – 12:45	<p>SESSION 2: Tools for understanding disaster risk</p> <p><i>Understanding and quantifying disaster risks is a critical prerequisite to the effective financial management of those risks. This session will explore the tools and institutional capacities necessary for a comprehensive assessment of natural hazards, exposures and vulnerabilities and share the experiences of countries that have put in place the necessary capacity and tools.</i></p> <ul style="list-style-type: none"> • <i>What are the methods available for assessing disaster risk?</i> • <i>What are the data needs for using sophisticated assessment tools such as catastrophe models?</i> • <i>Do existing approaches take sufficient account of changes to the nature of disaster risks, such as the potential impact of climate change on the intensity and frequency of extreme events?</i> • <i>What else should be considered when assessing financial and economic capacity to manage disaster impacts?</i>
	<p>Moderator: Mr. Marc Gordon, Coordinator (HFA Review), UNISDR</p> <p>Speakers:</p> <ul style="list-style-type: none"> • <i>Tools for quantifying risk and indicators of financial resilience</i> Mr. Sergio Lacambra, Lead Specialist, Natural Disaster and Risk Management, Inter-American Development Bank • <i>The role of catastrophe modelling in the assessment of exposure to disaster risks</i> Mr. Ashish Jain, AVP & Head of Singapore Operation, AIR Worldwide • <i>Managing the financial risks of climate change – Munich Re's perspective</i> Mr. Ernst Rauch, Head Corporate Climate Centre, Munich Reinsurance Company • <i>Assessing disaster exposure – Peru's experience</i> Mr. Gregorio Belaunde, Director, Risk Management, Ministry of Economy and Finance, Peru
12:45 – 13:45	LUNCH
13:45 – 15:30	<p>SESSION 3: Recovering from disasters: ensuring the availability of funding</p> <p><i>A key consideration in the development of disaster risk financing strategies is quick access to funding to support the recovery and reconstruction, and limit the impact of the disaster event on</i></p>

	<p><i>the economy by minimising disruption. This session will explore the approaches taken in a number of countries from across the world with very different levels of fiscal capacity and disaster risk financing needs.</i></p> <ul style="list-style-type: none"> • <i>What are the relative costs and benefits associated with different disaster risk financing instruments?</i> • <i>What is the right balance between ex ante and ex post instruments?</i> • <i>What can the national government do to address funding gaps at the local government level?</i>
	<p>Moderator: Ms. Charlotte Benson, Senior Disaster Risk Management (Disaster Risk Financing) Specialist, Climate Change and Disaster Risk Management Division, Asian Development Bank</p> <p>Speakers:</p> <ul style="list-style-type: none"> • <i>Funding public sector recovery and reconstruction needs: Mexico's experience</i> Mr. Salvador Perez Maldonado, Deputy Director General, Risk Management, Secretaría de Hacienda y Crédito Público, Mexico • <i>Use of reserve funds to provide liquidity</i> Ms. Aastha S. Khatwani, Joint Secretary & Financial Advisor, National Disaster Management Authority, Ministry of Home Affairs, India • <i>Australian Government Disaster Recovery</i> Ms. Samantha Ward, Director, Emergency Management Policy Branch, Attorney-General's Department, Australia • <i>Developing a disaster risk financing strategy: Philippines' experience</i> Ms. Stella Laureano, Director III, International Finance Operations, Department of Finance, Philippines • <i>Ex post financial management of disasters</i> Mr. Noriyuki Mita, Deputy Vice Minister for International Affairs, Ministry of Finance, Japan
15:30 – 15:45	Coffee break
15:45 – 17:00	<p>SESSION 4: Experience in pooling disaster risks</p> <p><i>Risk pools can be a useful approach for managing the financial impacts of disaster risks by aggregating a set of independent risks and potentially improving access to international reinsurance and capital markets. Such pools can be set up among the governments of multiple countries, local authorities and/or insurance companies. This session will share the experience of participants in a number of these different types of pool.</i></p> <ul style="list-style-type: none"> • <i>When is risk pooling an effective solution to the financial management of disaster risks?</i> • <i>What are the challenges to establishing risk pools and what are the potential benefits that can be derived?</i> • <i>How is a fair allocation of costs/premiums established?</i> • <i>What is the optimal relationship between the manager of the pool and the participants?</i>
	<p>Moderator: Mr. Olivier Mahul, Disaster Risk Financing and Insurance Program Manager, World Bank</p> <p>Speakers:</p> <ul style="list-style-type: none"> • <i>Single peril reinsurance pools: the experience of Australia</i> Mr. Mike Pennell, Chief Underwriting Officer, Australian Reinsurance Pool Corporation

	<ul style="list-style-type: none"> • <i>Risk sharing among local governments: New Zealand's experience</i> Mr. Craig Stobo, Chair, New Zealand Local Government Risk Agency Establishment Board • <i>Multi-country catastrophe risk pooling</i> Mr. Isaac Anthony, Chief Executive Officer of CCRIF SPC (formerly the Caribbean Catastrophe Risk Insurance Facility)
17:00 – 18:30	<p>SESSION 5: Financial solutions to manage disaster risks</p> <p><i>Reinsurance and capital markets provide a number of financial solutions that allow for transfer of disaster risks ex ante or the funding of disaster financing requirements ex post. This session will provide an overview of these different financial solutions, including potential investor appetite for taking on such risks.</i></p> <ul style="list-style-type: none"> • <i>What preconditions are necessary for transferring risks to international reinsurance or capital markets?</i> • <i>When is it economical for a country to transfer fiscal risks to the global market?</i> • <i>Are complex risk transfer instruments an affordable approach for developing countries?</i>
	<p>Moderator: Mr. Timothy Bishop, Head of Division, Directorate for Financial and Enterprise Affairs, Organisation for Economic Cooperation and Development</p> <p>Speakers:</p> <ul style="list-style-type: none"> • <i>World Bank Group menu of disaster risk financing products</i> Mr. Miguel Navarro, Head of Banking Products, World Bank (Treasury) • <i>Financial solutions to manage disaster risks: innovative risk transfer solutions</i> Mr. Ivo Menzinger, Managing Director, Global Partnerships, Swiss Re • <i>Model investments</i> Mr. Stephen Moss, Director, Capital Market Solutions, RMS • <i>Institutional investors as source of financing</i> Mr. Graham Jones, Senior Vice President, Guy Carpenter
19:30 – 21:00	<p>Dinner – Welcoming remarks by Dato' Bakarudin Ishak, Assistant Governor, Bank Negara Malaysia</p>
SEPTEMBER 18	
09:00 – 10:30	<p>SESSION 6: The role of insurance in supporting financial resilience</p> <p><i>Insurance can play a critical role in the financial management of disaster risks. Studies have shown that countries with higher levels of insurance penetration suffer less economic disruption from disasters and recover more quickly than countries with limited insurance coverage. This session will explore the extent of underinsurance of disaster risks and the challenges to enhancing the level of financial protection provided by insurance in Asian countries.</i></p> <ul style="list-style-type: none"> • <i>What preconditions are necessary for the development of a disaster insurance market?</i> • <i>What challenges do Asian countries face in putting in place these preconditions?</i>

	<p>Moderator: Ms. Mamiko Yokoi-Arai, Principal Administrator, Directorate for Financial and Enterprise Affairs, Organisation for Economic Cooperation and Development</p> <p>Speakers:</p> <ul style="list-style-type: none"> • <i>Underinsurance of disaster risk</i> Ms. Maryam Golnaraghi, Director, Extreme Event and Climate Risks Program, Geneva Association • <i>Establishing the preconditions for disaster insurance markets</i> Mr. Arup Chatterjee, Principal Financial Sector Specialist, Asian Development Bank • <i>Challenges to the development of disaster insurance markets in Pakistan</i> Ms. Nasreen Rashid, former Advisor, Securities and Exchange Commission of Pakistan • <i>Enhancing financial resilience: lessons from Canterbury</i> Mr. Bryan Dunne, General Manager of Strategy and Transformation, New Zealand Earthquake Commission
<p>10:30 – 11:00</p>	<p>Coffee break</p>
<p>11:00 – 12:30</p>	<p>SESSION 7: Supporting the development of an insurance culture</p> <p><i>One potential barrier to the development of disaster insurance markets in many countries is the lack of an insurance culture. Households and businesses in countries with less developed insurance markets aren't always aware of the potential benefits that insurance protection can provide, may have limited trust in insurance companies' capacity to provide financial protection or are unaware of the risks they face should they choose not to seek financial protection. This session will describe how countries' facing differing constraints and contexts have worked to address these issues.</i></p> <ul style="list-style-type: none"> • <i>What can be done to improve citizens' understanding of the risks that they face?</i> • <i>What can be done to support the establishment of an insurance culture in countries with limited experience with insurance?</i> • <i>What contribution can an insurance regulator make to building trust in insurance companies' capacity to meet their obligations?</i>
	<p>Moderator: Mr. Arup Chatterjee, Principal Financial Sector Specialist, Asian Development Bank</p> <p>Speakers:</p> <ul style="list-style-type: none"> • <i>Promoting risk awareness and developing insurance culture: GIAJ's initiatives</i> Mr. Takashi Okuma, General Manager, International Department, General Insurance Association of Japan • <i>The role of risk awareness in supporting demand for disaster insurance: ASEAN's experience</i> <i>[absent due to unforeseen circumstances]</i> Mr. Marcus Hanrieder, Chief Executive Officer, Munich Reinsurance Company (Malaysia) and member of the Management Committee, General Insurance Association of Malaysia (PIAM) • <i>Building institutional capacity for the development of insurance markets</i> Mr. Antonis Malagardis, Program Director, Regulatory Framework Promotion of Pro-poor Insurance Markets in Asia, GIZ • <i>Supporting the development of an insurance culture: a regulator's perspective</i> Mr. John Doak, Insurance Commissioner of Oklahoma and Chair of NAIC Catastrophe Response Working Group

12:30 – 14:00	LUNCH
14:00 – 15:30	<p>SESSION 8: Disaster insurance as a tool to support the wider economy</p> <p><i>Insurance can take various forms to meet the differing needs of different segments of society. This session will explore the various types of public-private partnerships that have been formed to overcome some of the challenges to providing financial protection for significant risks and/or to various segments of the economy.</i></p> <ul style="list-style-type: none"> • <i>What are the different approaches that can be taken to providing disaster insurance to different stakeholders?</i> • <i>What is the role of government in each of these areas?</i> • <i>How can governments prioritise sector(s) where intervention may be most needed?</i>
	<p>Moderator: Mr. Sumarjono, Director of Non-Bank Financial Industry Statistics, OJK Indonesia</p> <p>Speakers:</p> <ul style="list-style-type: none"> • <i>Extending financial protection to the underserved</i> Mr. Rowan Douglas, CEO, Capital, Science & Policy Practice and Chairman, Willis Research Network, Willis Group • <i>Earthquake insurance in Japan</i> Mr. Hidetaka Tabata, Deputy Director, Financial System Stabilization Division, Ministry of Finance, Japan • <i>Reaching the most vulnerable with micro-insurance</i> Mr. Michael J. McCord, Chairman of the Board, Microinsurance Network and President, MicroInsurance Centre, LLC • <i>Climate Risk Insurance: G7 targets and implementation challenges</i> Mr. Ernst Rauch, Head Corporate Climate Centre, Munich Reinsurance Company
15:30 – 16:00	<p>Conclusions and Closing Remarks</p> <ul style="list-style-type: none"> • Mr. Timothy Bishop, Head of Division, Directorate for Financial and Enterprise Affairs, Organisation for Economic Cooperation and Development • Mr. Arup Chatterjee, Principal Financial Sector Specialist, Asian Development Bank