

ASEAN Disaster Risk Financing and Insurance plan enters 2nd phase

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Nanyang Technological University (NTU) Singapore and the ASEAN Secretariat have launched a three-year disaster risk reduction plan that aims to strengthen the financial resiliency of ASEAN member states in the face of natural disasters.

The ASEAN Disaster Risk Financing and Insurance Phase 2 (ADRFI-2) plan of action seeks to equip member states with risk management and risk transfer capabilities, that will enable them to become more resilient against financial losses caused by disasters, the regional bloc said in a statement.

In the first phase, ADRFI focused on creating policies and institutional environments (<https://www.insurancebusinessmag.com/asia/news/breaking-news/asean-looks-at-forming-regional-risk-insurance-pool-60577.aspx>) for risk financing and insurance in the ASEAN member states, as well as to promote multilateral cooperation between these countries.

The second phase, which was launched at the 10th annual symposium of NTU's Institute of Catastrophe Risk Management (ICRM), revolves around three main pillars: risk data (risk information and assessment), capacity building on disaster risk financing, and risk advisory.

The first two pillars will be managed jointly by ASEAN and NTU, involving the development of a risk data and assessment platform where member states can gain valuable insights on risks arising from natural disasters, as well as the formation of a networking advisory group of member states, international organisations, and industry partners, who will provide risk advice and assist in the design of innovative risk transfer tools and solutions.

The third pillar will be directly managed by the ASEAN Secretariat, and consists of capacity building activities such as workshops, featuring experts from all over the world and covering a wide range of topics such as potential hazards, disaster financing solutions, and insurance schemes.

Read more: ASEAN to tackle disaster resilience, cybersecurity, and infrastructure financing (<https://www.insurancebusinessmag.com/asia/news/regional-news/asean-to-tackle-disaster-resilience-cybersecurity-and-infrastructure-financing-97214.aspx>)

“The ADRFI-Phase 2 will closely coordinate with key development partners to fulfil the capacity building needs of member states,” said Alladin Rillo, deputy secretary-general of the ASEAN Economic Community. “The ASEAN Secretariat acknowledges as a matter of urgency the need for the region’s risk financing solutions be pursued more aggressively in protecting member states’ long-term fiscal balance and development gains.”

“Together with the ASEAN Secretariat, NTU will support and co-develop comprehensive risk management strategies to help ASEAN member states overcome the debilitating effects of catastrophes and national disasters,” Prof Louis Phee, dean of NTU’s College of Engineering, “It will also leverage NTU’s strong focus in translational research excellence which helps foster innovative, resilient, and technologically-driven nation-states.”

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