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## Case Study

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# For-Profit or Progress: mapping enhanced private sector engagement in disaster management



Central market in Phnom Penh.  
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Whereas governments, humanitarian organizations, and civil society organizations (CSOs) have had a long-standing role in building resilience and mitigating the impacts of disasters, the private sector has traditionally been classified as a non-traditional actor in disaster preparedness and disaster risk management (DRM). Its growing potential as a 'key actor to achieve change' has become evident in the last decade. The sector has provided humanitarian assistance totaling USD 6.6 billion between 2011 and 2015. Engagement in DRM and other related fields has evolved from corporate social responsibility (CSR) to a growing prioritization of environmental sustainability initiatives, as well as the contemporary uptake of environmental, societal, and governance (ESG) principles for 'measurable' impact on the part of businesses. These quantitative indicators have increased as the private sector comprehends the intensified effects of disaster events on business communities.

### Private sector contributions to the humanitarian sector and disaster risk reduction

The private sector has been identified as a 'key actor to achieve change' in the humanitarian sector<sup>1</sup>. Funding of support for humanitarian assistance from the sector totaled USD 6.6 billion between 2011 to 2015<sup>2</sup>. It is an indication of how enterprises may potentially assist traditional stakeholders such as governments, development partners,

and non-governmental organizations (NGOs) or CSOs in their efforts to respond to and manage crises<sup>3</sup>. The progressive collaboration between these actors and private enterprises has increasingly expanded beyond financial support. Development partners, including those at the forefront of DRM interventions, have published guidelines to direct their collaboration and partnership with the private sector<sup>4,5</sup>. The government can strengthen these partnerships

1 United Nations. One humanity: Shared responsibility: Report of the secretary-general for the World Humanitarian Summit 2016.

2 <https://www.concernusa.org/story/humanitarian-aid-explained/>

3 Development Initiatives. Global humanitarian assistance report 2017. 2017.

4 United States Agency for International Development *USAID Private Sector Engagement Policy*; 2018;

5 Razeq, Z.M. *UNDP's Engagement with the Private Sector, 1994-2011*; Palgrave Macmillan US: New York, 2014; ISBN 978-1-349-49668-6.

by leveraging the private sector's capacities and core competencies<sup>6</sup>. With this consideration, the sector's engagement in disaster management has extended beyond requesting businesses to donate or contribute financially to disaster response, reconstruction, or rehabilitation efforts towards a recognition of a partnership approach with businesses at different levels. Such collaborations can advance their collective causes and contributions to Sustainable Development Goals (SDGs), including those focused on reducing the impacts of disasters on vulnerable or displaced populations<sup>7,8</sup>.

Experts have concluded that failing to engage businesses in DRM will exacerbate the population's exposure to risk in different sections of society. Moreover, the loss of personal assets, financial disruption, or commercial bankruptcy because of disasters caused by natural hazards will have widespread implications for employees, customers, clients, and suppliers<sup>9</sup>. The capacity for businesses to "enhance collaborative arrangements by providing technical expertise, efficient organizational skills and innovative approaches to DRM practice" has been documented by development partners<sup>10</sup>. The strong possibility for such interventions is associated with the private sector's "abundant resources, expertise and technology" and that these "expertise and capacities can be mobilized for collaborative efforts towards disaster risk reduction"<sup>11</sup>.

Philanthropic or CSR activities implemented by the private sector are diverse: they include social and environmental impact, business ethics, 'fair trade', labor standards, and human rights with private sector organizations having implemented such CSR initiatives for disaster reduction since the 1960s<sup>12</sup>. They have recently adopted environmental, social, and corporate governance (ESG) metrics as a measurable means of evaluating their organizational contribution to social and environmental factors<sup>13</sup>. Prominent global companies have developed coherent guidance and strategies to

measure their engagement in such environmental and sustainability initiatives, including those related to DRM. Such engagement is a component of their CSR and ESG reporting for contributions to globally recognized initiatives such as the SDGs<sup>14</sup>.

The business community is already heavily involved in disaster reduction either through philanthropic or charitable purposes or commercial engagement as part of their core business through the provision of expertise or supply of goods and services rated<sup>15</sup>. This tangible engagement in disaster management has manifested itself in several different ways including direct assistance to communities, disaster preparedness for enterprises themselves, developing innovative products based on business technology and expertise, and joint projects with NGOs, governments, and international organizations as co-implementers as well as the establishment of private foundations, NGOs, and trusts with a mandate for addressing disaster-related challenges<sup>16</sup>.

## Endorsing Enterprises - Engaging the private sector in DRM

Disaster management frameworks have also recognized the significant role that the private sector plays in reducing disaster losses. The Hyogo Framework for Action 2005-2015 included the private sector among the actors concerned in protecting the social, economic, and environmental assets of communities and countries. It also highlighted the importance of engaging the private sector in disaster prevention towards social and economic development<sup>17</sup>.

The successor to the Hyogo Framework and Sendai Framework for Disaster Risk Reduction (SFDRR) went a step further by guiding specific actions and the critical roles that the private sector could play in helping to achieve sustainable development and resilience as employers, innovators, producers, asset-holders, and investors<sup>18</sup>. This was an important juncture in formalizing the role of businesses as one of the key stakeholders or partners that are capable of supporting states to fulfill their primary responsibility to address disaster displacement risk and impacts as part of overall DRM efforts<sup>19</sup>. The private sector is now consistently

6 Global Facility for Disaster Reduction and Recovery *Private Sector Participation in Disaster Recovery and Mitigation*; 2020;

7 Connecting Business initiative. Responding to Multiple Disasters A Case Study on the Philippine Disaster Resilience Foundation's Emergency Operations Center and Response to Super Typhoon Goni and Vamco During the COVID-19 Pandemic. 2021.

8 *Engaging the Private Sector and Developing Partnerships to Advance Health and the Sustainable Development Goals*; Taylor, R., Amankwah, F., Nalamada, P., Eds.; National Academies Press: Washington, D.C., 2016; ISBN 978-0-309-44844-4.

9 UNESCAP & ADPC & Ready Asia Pacific *Resilient business for resilient nations and Communities*; UNESCAP, A.& R.A.P., Ed.; 2015;

10 UNESCAP & ADPC & Ready Asia Pacific *Resilient business for resilient nations and Communities*; UNESCAP, A.& R.A.P., Ed.; 2015;

11 *Disaster Management and Private Sectors*; Izumi, T., Shaw, R., Eds.; Disaster Risk Reduction; Springer Japan: Tokyo, 2015; ISBN 978-4-431-55413-4.

12 Twigg, J. Corporate Social Responsibility and Disaster Reduction: A Global Overview. *Disaster Prev. Manag. An Int. J.* 2002, 11, 223–224, doi:10.1108/dpm.2002.11.3.223.7.

13 John, H. *Environmental, Social, and Governance (ESG) Investing*; Elsevier, 2020; ISBN 9780128186923.

14 Swarovski Foundation Our Global Impact Available online: <https://www.swarovskifoundation.org/impact> (accessed on Oct 30, 2021).

15 Twigg, J. Corporate Social Responsibility and Disaster Reduction: A Global Overview. *Disaster Prev. Manag. An Int. J.* 2002, 11, 223–224, doi:10.1108/dpm.2002.11.3.223.7.

16 *Disaster Management and Private Sectors*; Izumi, T., Shaw, R., Eds.; Disaster Risk Reduction; Springer Japan: Tokyo, 2015; ISBN 978-4-431-55413-4.

17 UNISDR. Hyogo Framework for Action 2005-2015 Available online: [https://www.preventionweb.net/files/1037\\_hyogoframeworkforactionenglish.pdf](https://www.preventionweb.net/files/1037_hyogoframeworkforactionenglish.pdf)

18 United Nations. *Sendai Framework for Disaster Risk Reduction 2015-2030*; 2015;

19 Abe, Y.; Zodrow, I.; Johnson, D.A.K.; Silerio, L. Risk informed and resilient development: Engaging the private sector in the era of the Sendai Framework. *Prog. Disaster Sci.* 2019, 2, 100020, doi:10.1016/j.pdisas.2019.100020.



An infographic for Myanmar MSMEs. It features a background image of a man in a pink shirt and purple pants sitting on a red wall, with baskets of white beads in the foreground. Overlaid on the image are several yellow circular graphics. One circle contains a shop icon and the number 770,000 MSMEs. Another circle contains the text 'MSMEs account for:'. A third circle contains a briefcase icon and '99.4% of Businesses'. A fourth circle contains an icon of people and '80% of National Employment'.

Myanmar

  
**770,000**  
MSMEs

MSMEs  
account for:

  
**99.4%** of  
Businesses

  
**80%** of  
National  
Employment

Bogyoke Market.  
Photo credit: Phuong D. Nguyen/Shutterstock.com

acknowledged as a stakeholder in disaster risk reduction (DRR), particularly as a partner of the government. All stakeholders, including the private sector, need to be resilient to transcend such qualities into societies and communities. Therefore, the corporate sector shares a common interest in contributing to DRM<sup>20,21</sup>.

Businesses go beyond the protection of their employees, operations, and facilities. They play an active part in helping other businesses and communities recover from the impacts of disasters. The private sector has long been a source of philanthropic humanitarian assistance<sup>22</sup>. It plays an important role in local and national development, as economies and communities cannot exist without the other. There is a mutual interest for the government and the private sector to work together<sup>23</sup>.

### Evolution of private sector engagement in disaster management

The private sector has not always been actively involved in disaster management. Businesses historically viewed disasters as a responsibility of the government. Initiatives related to CSR were seen to primarily benefit businesses.

A majority of the documented experience of CSR initiatives for disaster reduction were from developed countries and was deemed “superficial, promotional, or anecdotal<sup>24</sup>. The private sector has become increasingly involved in response and rehabilitation efforts on disaster management. However, businesses are criticized as focusing on specific projects rather than industry-wide initiatives and as being reactive rather than proactive<sup>25,26</sup>.

The perspective of the private sector on disaster management is no longer constrained to business continuity. Aside from working to lessen the potential impacts of disasters on their businesses, the private sector has started to further invest in efforts to reduce the vulnerabilities of local communities where their workforce resides. Strengthening communities has led to greater recognition of its potential to play a key role in disaster prevention, mitigation, and preparedness<sup>27</sup>. Key recommendations to advance the engagement of the private sector in disaster management are for the government to provide incentives to businesses and to remove regulatory barriers that prevent business investments in DRR<sup>28,29</sup>. The private sector is also encouraged to integrate disaster management into

20 UNESCAP & ADPC & Ready Asia Pacific *Resilient business for resilient nations and Communities*; UNESCAP, A.& R.A.P., Ed.; 2015;

21 Fiksel, J. Sustainability and Resilience: Toward a Systems Approach. *IEEE Eng. Manag. Rev.* 2007, 35, 5–5, doi:10.1109/EMR.2007.4296420.

22 International Recovery Platform *Guidance Note on Recovery Private Sector*; 2016;

23 Abe, Y.; Zodrow, I.; Johnson, D.A.K.; Silerio, L. Risk informed and resilient development: Engaging the private sector in the era of the Sendai Framework. *Prog. Disaster Sci.* 2019, 2, 100020, doi:10.1016/j.pdisas.2019.100020.

24 Twigg, J. Corporate Social Responsibility and Disaster Reduction: A Global Overview. *Disaster Prev. Manag. An Int. J.* **2002**, 11, 223–224, doi:10.1108/dpm.2002.11.3.223.7.

25 World Economic Forum *Building Resilience to Natural Disasters : A Framework for Private Sector Engagement*; 2008;

26 Global Facility for Disaster Reduction and Recovery *Private Sector Participation in Disaster Recovery and Mitigation*; 2020;

27 UNISDR. *Private Sector Activities in Disaster Risk Reduction - Good Practices and Lessons Learned*; 2008;

28 World Economic Forum *Building Resilience to Natural Disasters : A Framework for Private Sector Engagement*; 2008;

29 JICA Data collection survey for strategy development of disaster risk reduction and management sector in the Republic of Philippines. **2017**, 1–148.

its business models<sup>30</sup>. This includes the combination of enterprise risk management (ERM) and business continuity management (BCM) mechanisms<sup>31</sup>.

There are various ways that the private sector can engage in DRM activities. These include (1) direct assistance to communities; (2) disaster preparedness for their own business; (3) development of innovative products; (4) joint projects with other stakeholders in DRR; and (5) establishment of private foundations, NGOs, and trusts. To further encourage private sector involvement in DRR, key issues of legislation, incentive, and engagement must be addressed. These are considered mechanisms for effective private sector involvement<sup>32</sup>.

There remains a concern for the holistic nature and long-term sustainability of DRR interventions of the private sector. It is reported that some companies still focus on the short-term business gains of their DRR efforts. Moreover, many businesses still maximize their income potential at the expense of fragile ecosystems where they operate<sup>33</sup>. Despite this, it is important to note that there are now more cases wherein the government and the private sector work together by “expanding business sector response and recovery responsibilities beyond simple self-preservationist activities”<sup>34</sup>.

The private sector had become increasingly involved in resilience building at the local, national, and global levels. While businesses are adversely affected by climate change and disasters, they are seen as possible agents of change in building their resilience and that of local communities<sup>35</sup>. It is common to see many businesses compete commercially with one another. Despite the competition, there is a growing realization that their collective and concerted efforts on all phases of disaster management can benefit their own companies as well as the communities in which they operate<sup>36</sup>. With a growing number of private sector entities joining the global drive for disaster risk reduction and resilience, “change is accelerating and is expected to be profound”<sup>37</sup>. Instead of working only on DRR efforts that promote their self-interest, the private sector is investing in

resilience-building initiatives that grow businesses and promote sustainable development<sup>38</sup>.

## The Asian region pioneering private sector engagement

Stakeholders from the private sector, development partners, and governments in the Asia Pacific region are at the forefront of private sector involvement in the field of disaster management (Global Facility for Disaster Reduction and Recovery<sup>39,40</sup>. Regional Organizations in Asia such as the Association of Southeast Asian Nations (ASEAN), South Asian Association for Regional Cooperation (SAARC), and Asia-Pacific Economic Cooperation (APEC) have been strong advocates for enhancing the private sector’s involvement in disaster risk reduction in the region, in particular, facilitating cooperation between corporates and national governments<sup>41</sup>.

Business associations and chambers of commerce in different Asian countries have also formalized their contribution to disaster management through membership and active contribution to private sector’s initiatives coordinated by global and regional development partners such as the United Nations Alliance for Disaster Resilient Societies (ARISE) network and Connecting Business Initiative (CBI) as well as the Asian Preparedness Partnership (APP) platform pioneered by the Asian Disaster Preparedness Center (ADPC)<sup>42,43</sup>. At the country level, organizations such as the Philippines Disaster Resilience Foundation (PDRF) are an example of a private sector-led focal organization for coordinating private sector contributions to disaster management efforts<sup>44,45</sup>. The private sector engagement in disaster management has expanded to several activities and initiatives.

30 UN. *Global Assessment Report on Disaster Risk Reduction 2019*; 2019; ISBN 9789210041805.

31 UNDRR Reducing risk and building resilience of SMEs to disasters. **2020**, 68.

32 *Disaster Management and Private Sectors*; Izumi, T., Shaw, R., Eds.; Disaster Risk Reduction; Springer Japan: Tokyo, 2015; ISBN 978-4-431-55413-4.

33 UN. *Global Assessment Report on Disaster Risk Reduction 2019*; 2019; ISBN 9789210041805.

34 International Recovery Platform *Guidance Note on Recovery Private Sector*; 2016;

35 UNDP. *Pacific Risk Resilience Programme Focus Note - The Building Blocks for Successful Private Sector Engagement: Engaging the Private Sector in Building Resilience*; 2017;

36 International Recovery Platform *Guidance Note on Recovery Private Sector*; 2016;

37 Johnson, D.A.K.; Abe, Y. Global Overview on the Role of the Private Sector in Disaster Risk Reduction: Scopes, Challenges, and Potentials. In; 2015; pp. 11–29.

38 Abe, Y.; Zodrow, I.; Johnson, D.A.K.; Silerio, L. Risk informed and resilient development: Engaging the private sector in the era of the Sendai Framework. *Prog. Disaster Sci.* 2019, 2, 100020, doi:10.1016/j.pdisas.2019.100020.

39 Global Facility for Disaster Reduction and Recovery *Private Sector Participation in Disaster Recovery and Mitigation*; 2020;

40 UNESCAP & ADPC & Ready Asia Pacific *Resilient business for resilient nations and Communities*; UNESCAP, A. & R.A.P., Ed.; 2015;

41 Chatterjee, R.; Shaw, R. Role of Regional Organizations for Enhancing Private Sector Involvement in Disaster Risk Reduction in Developing Asia. In; 2015; pp. 47–67.

42 Abe, Y.; Zodrow, I.; Johnson, D.A.K.; Silerio, L. Risk informed and resilient development: Engaging the private sector in the era of the Sendai Framework. *Prog. Disaster Sci.* 2019, 2, 100020, doi:10.1016/j.pdisas.2019.100020.

43 Medel, K.; Kousar, R.; Masood, T. A collaboration–resilience framework for disaster management supply networks: a case study of the Philippines. *J. Humanit. Logist. Supply Chain Manag.* 2020, 10, 509–553, doi:10.1108/JHLSCM-09-2019-0066.

44 Medel, K.; Kousar, R.; Masood, T. A collaboration–resilience framework for disaster management supply networks: a case study of the Philippines. *J. Humanit. Logist. Supply Chain Manag.* 2020, 10, 509–553, doi:10.1108/JHLSCM-09-2019-0066.

45 UN. *Global Assessment Report on Disaster Risk Reduction 2019*; 2019; ISBN 9789210041805.





Pakistan

3.2  
million  
SMEs

SMEs  
account for:

9 out of 10  
are Private  
Businesses

40% of the  
GDP

Tea Stall in Pakistan.  
Photo credit: Ali Mubashir/Shutterstock.com

These range from examples of successful models of private sector engagement which have been shared as good practice across the region; efforts at raising awareness and sensitizing the business community; adaptation of practical tools for disaster resilience which can be utilized by enterprises; as well as cases where the traditional conceptions of ‘public-private partnerships’ (PPPs) have undergone an evolution in the context of disaster management.

### Multi-stakeholder approaches to disaster management as a catalyst for greater private sector engagement

Platforms, comprised of stakeholders from different sectors i.e. both for-profit and nonprofit have served to enhance the engagement of the private sector in disaster management by providing “a space/interface in which different actors, skills, abilities, resources, knowledge, objectives, or needs could be more easily finalized in a concrete interaction”<sup>46</sup>. An added value of platforms is that they “provide a clear access point for the private sector to engage in humanitarian action and to help overcome common challenges to engagement”<sup>47</sup>.

The APP is a multi-sectoral regional partnership. It seeks to establish safer and well-prepared communities through locally-led DRM actions to reduce the impacts of disasters on at-risk communities in Asia. The APP’s

partnership model engages local non-governmental organizations, the government, and the private sector in its member countries to achieve this goal. The partnership model has been implemented in six countries - Cambodia, Myanmar, Nepal, Pakistan, the Philippines, and Sri Lanka. It seeks to promote the preparedness for emergency response in these countries and improve inter-organizational coordination and dialogue between these partners. APP has identified the unique roles of each of these partners. The government initiates and institutionalizes change and implements and maintains disaster management mechanisms. Local non-governmental organizations (LNGOs) have close ties with the community and focus on building community resilience. The private sector has become increasingly involved in DRR which includes CSR efforts to support communities in disaster response.

The types of private-sector partners engaged varied depending on each of the country contexts. The approach to business resilience advocated under the APP initiatives has centered on enhancing the disaster resilience of businesses themselves by ensuring enterprises can be adequately prepared for disaster events, recover quickly from disruptions, and reduce disaster risk as well as supporting the private sector to contribute to efforts to enhance the disaster resilience of the communities and societies in which they are situated.

### Philippines as a leader in engaging the private sector in disaster management in the Asia region

The private sector is integrated with humanitarian action in the Philippines. The country is regarded as a leader in engaging the private sector in DRM in the Asia region. It exemplifies the valuable role that the sector can play in DRM reflected in relevant legislation and policy

46 Cozzolino, A. Platforms Enhancing the Engagement of the Private Sector in Humanitarian Relief Operations. *Sustainability* 2021, 13, 3024, doi:10.3390/su13063024.

47 Oglesby, R.; Burke, J. *Platforms for Private Sector – Humanitarian Collaboration*; 2012;



Communters inside Light Rail Transit.  
Photo credit: Kyle Reyes/Shutterstock.com

frameworks<sup>48</sup>. The commerce sector has been an active player in disaster resilience efforts at local, regional, and national levels in the Philippines. In terms of disaster relief, the private sector has played a prominent role in organizing relief operations, delivering donations, and other support to the general public in the country. It is also self-reliant in terms of resource mobilization. Some large enterprises work independently, preferring to channel resources through their corporate foundations as well as having established direct partnerships with national and local government agencies and specific local communities<sup>49</sup>. There has been a shift towards investment in disaster resilience and proactive preparedness for disruptive events by the private sector. A notable example is PDRF which has advocated a holistic approach to DRM as reflected in its changing priorities from a 'reactive' focus on disaster recovery processes towards 'proactive' disaster preparedness and recovery<sup>50</sup>.

PDRF also contributes to information products needed in coordination, planning, and response activities<sup>51</sup>. The foundation is credited with launching the world's first private sector-operated self-sufficient emergency

operations center (EOC) in 2017<sup>52</sup>. The center is utilized in the coordination of relief and response efforts during major disasters as well as training in disaster preparedness<sup>53</sup>. The EOC harnesses data from local and international sources to monitor hydro-meteorological hazards and pandemics<sup>54</sup>. It remains activated 24/7 to monitor and coordinate help to areas affected by disasters. The EOC's advanced system ensures that it is capable of continuous operation even during worst-case scenarios. The center also plays an important role in protecting the assets of PDRF's member companies as it maps data on public infrastructure to help protect them from hazards. It complements government efforts by coordinating asset inventory and updating on the status of lifeline services. This highlights private sector efforts in disaster response and early recovery<sup>55</sup>.

48 UNESCAP & ADPC & Ready Asia Pacific *Resilient business for resilient nations and Communities*; UNESCAP, A.& R.A.P., Ed.; 2015;

49 ILO *Needs Assessment for the Private Sector in the Philippines: Disaster Preparedness, Response and Recovery.*; 2015;

50 UNOCHA and DHL. *Combining Capabilities: How Public Private Partnerships are Making a Difference in Humanitarian Action.*; 2016;

51 Philippine Long Distance Telephone Company. 2019 *SUSTAINABILITY REPORT*; 2020;

52 Philippine Long Distance Telephone Company. PDRF inaugurates world's first private sector-led national emergency operations center Available online: <http://www.pldt.com/news-center/article/2018/04/04/pdrf-inaugurates-world's-first-private-sector-led-national-emergency-operations-center#.YWPAk0ZBxmp>

53 UNOCHA and DHL. *Combining Capabilities: How Public Private Partnerships are Making a Difference in Humanitarian Action.*; 2016;

54 Philippine Long Distance Telephone Company. PDRF inaugurates world's first private sector-led national emergency operations center Available online: <http://www.pldt.com/news-center/article/2018/04/04/pdrf-inaugurates-world's-first-private-sector-led-national-emergency-operations-center#.YWPAk0ZBxmp>

55 Philippine Long Distance Telephone Company. PDRF inaugurates world's first private sector-led national emergency operations center Available online: <http://www.pldt.com/news-center/article/2018/04/04/pdrf-inaugurates-world's-first-private-sector-led-national-emergency-operations-center#.YWPAk0ZBxmp>



PDRF was formed in the wake of Tropical Storm Ondoy (Typhoon Ketsana) in 2009 and was revitalized in the wake of Super Typhoon Yolanda (Typhoon Haiyan) in 2013<sup>56</sup>. It has been actively involved in response and early recovery efforts. PDRF coordinates in-kind support for affected populations with the understanding that the business sector would rather donate their goods than be asked to donate funding. For example, it commits water companies to donate water to disaster-stricken communities<sup>57</sup>. PDRF's coordination is not limited to the business sector, it also partners with governments and local and international organizations<sup>58</sup>. The center actively supports the national and local governments with provisions of necessary resources such as fuel, machinery, and manpower<sup>59</sup>. PDRF formalized its partnership with the national government by signing a memorandum of understanding with the Department of Social Welfare and Development in 2018 (DSWD). It works on five key sectors of post-disaster recovery that focus on shelter, livelihood, education, environment, water, infrastructure, sanitation, and health<sup>60</sup>.

PDRF also works on emergency preparedness and DRR<sup>61</sup>. For example, the center's Innovations Academy for Disaster Awareness, Preparedness, and Training (iADAPT) is an e-learning platform on DRR, business continuity, and climate change adaptation. The center intends to prepare local communities against the various disasters in the Philippines<sup>62</sup>. It has recently invested in the construction of a multi-purpose facility to serve as a haven for those severely affected by disasters and as an alternative health care center. The facility may also be used for community activities, such as training programs on disaster preparedness.

PDRF is an active member of the Philippine Preparedness Partnership (PHILPREP) – a national chapter of the APP in the Philippines, which implements capacity-building initiatives for the private sector, government agencies, and CSO in the country. The center recognizes PHILPREP as a good mechanism for collaborative work on disaster preparedness activities such as simulations, drills, and contingency planning efforts<sup>63</sup>. Additionally, it leverages

on PPP modality to build the resilience of micro, small, and medium enterprises (MSMEs) in the country. It collaborates with relevant DRRM stakeholders in organizing national events such as summits, learning forums, and webinars intended for MSMEs and other vulnerable sectors<sup>64</sup>.

## **Mobilization of the private sector through sensitization and raising awareness**

Global and regional DRM policy frameworks have underlined the need for a multi-stakeholder approach that includes businesses<sup>65,66</sup>. Development partners such as the UN and ADPC have supported the implementation of these frameworks in mobilizing the private sector through sensitization and awareness-raising among business communities of the value of DRM in disaster risk-prone countries of Asia<sup>67</sup>. Since the inception of the SFDRR, ADPC has implemented many initiatives to support private sector engagement in DRM and uptake of BCM, originating with a project on strengthening the disaster resilience of SMEs in selected countries of Southeast Asia<sup>68</sup>. ADPC also promoted the concept of "business resilience" during two of their seminal regional forums in 2016 and 2017. These events facilitated the participation of businesses, development partners, and governments.

The Preparedness Partnership of Cambodia (PPC) is the national chapter of the APP in Cambodia. It was established with representatives from government-mandated agencies such as the National Committee for Disaster Management, the local humanitarian network – Cambodian Humanitarian Forum (CHF), and the Federation of Associations of Small and Medium Enterprises in Cambodia (FASMEC) in May 2018. The partnership was built on the foundations laid by the CHF which was formed in 2012 under the United States Agency for International Development Bureau for Humanitarian Assistance (USAID BHA) funded program on "Strengthening Emergency Response Capacity of NGOs in Cambodia" (2012-2018) to enhance the leadership capacity of LNGOs. The CHF's network of 120 NGOs has enabled the program to make notable progress in enhancing the capacity and readiness of local organizations in Cambodia to contribute to humanitarian response. The forum presented a successful partnership

56 Lucas, D. No For Yolanda—and future calamities—the private sector stands ready. *Philipp. Dly. Inq.* 2014.

57 Govinsider How the Philippines brought business into disaster recovery Available online: <https://govinsider.asia/smart-gov/philippines-typhoon-haiyan-disaster-recovery-pdrf/> (accessed on Oct 15, 2021).

58 Trajano, J.C.I. *Building Resilience from Within: Enhancing Humanitarian Civil-Military Coordination in Post-Haiyan Philippines*; 2016;

59 JICA Data collection survey for strategy development of disaster risk reduction and management sector in the Republic of Philippines. 2017, 1–148.

60 De Vera-Ruiz, E. DSWD partners with disaster resilience foundation for better response. *Manila Bull.* 2018.

61 Business World LGUs encouraged to collaborate to create disaster-resilient communities Available online: <https://www.bworldonline.com/lgus-encouraged-to-collaborate-to-create-disaster-resilient-communities/>

62 The Manila Times BPI, PDRF begin construction of disaster, pandemic facility. *The Manila Times* 2021.

63 PDRF. PDRF Resilience Bulletin, 2(3). 2020.

64 PDRF. PDRF Resilience Bulletin, 2(3). 2020.

65 Abe, Y.; Zodrow, I.; Johnson, D.A.K.; Silerio, L. Risk informed and resilient development: Engaging the private sector in the era of the Sendai Framework. *Prog. Disaster Sci.* 2019, 2, 100020, doi:10.1016/j.pdisas.2019.100020.

66 Medel, K.; Kousar, R.; Masood, T. A collaboration-resilience framework for disaster management supply networks: a case study of the Philippines. *J. Humanit. Logist. Supply Chain Manag.* 2020, 10, 509–553, doi:10.1108/JHLSCM-09-2019-0066.

67 UNDRR. Private Sector Available online: <https://www.undrr.org/implementing-sendai-framework/partners-and-stakeholders/partnerships-private-sector>

68 Mavrodieva, A. V.; Budiarti, D.S.; Yu, Z.; Pasha, F.A.; Shaw, R. Governmental Incentivization for SMEs' Engagement in Disaster Resilience in Southeast Asia. *Int. J. Disaster Risk Manag.* 2019, 1, 32–50, doi:10.18485/ijdrm.2019.1.1.2.



Sugar cane sweet making.  
Photo credit: OSTILL is Franck Camhi/Shutterstock.com

model for scale-up in the Asian region. It was further expanded under APP as a multi-stakeholder platform that also encompasses government agencies and private sector organizations. The Myanmar Preparedness Partnership (MPP) is the national chapter of the APP in Myanmar. It was formed with representation from the government, the Myanmar NGO Consortium for Preparedness and Response Network (MNGO CPR Network), and the Myanmar Private Sector Disaster Management (MPD) Network.

Following on from the regional Asia Leadership Forum for Business Resilience conducted in December 2017, Myanmar and Cambodia were two of the notable examples where these respective country partnerships recognized a need for greater awareness-raising and sensitization of the role that the private sector could play in DRM. With technical support from ADPC, the respective national chapters of APP in both of these countries conducted the first dedicated business resilience forums. The event brought together key partners and stakeholders i.e. governments, CSOs, and development partners to explore effective means of engaging the private sector in disaster preparedness and business resilience initiatives. The forum was organized by the MPP. It took place in Yangon in February 2018. The event witnessed the attendance of over 100 participants. MPP was able to build on this momentum, with further support from USAID BHA, under the program 'Strengthening Preparedness for Emergency Response through Multi-Stakeholder Cooperation' between September 2018- 2019. The national partnership was able to enhance the multi-stakeholder coordination

and partnership by further consolidating and scaling up their platform through amplification of information management, joint contingency planning, training curriculum development, and technical support to SMEs.

A National Business Resilience Forum was conducted in Cambodia in June 2018. It was the first dedicated platform organized for relevant key partners and stakeholders i.e. government, CSO, and development partners to come together to explore an effective way of engaging the private sector in disaster preparedness and business resilience initiatives. Whilst overall engagement of businesses in DRM planning processes and coordination in Cambodia remains low, FASMEC's engagement in the multi-stakeholder platform has helped amplify the role of the private sector to some degree. In addition, PPC continues to raise awareness and provide technical support to the private sector to stimulate more active and tangible engagement in DRM<sup>69</sup>.

Engaging the private sector in multi-stakeholder platforms regarding DRM has propelled their coordination and networking with traditional actors. These platforms have also built opportunities for different stakeholders to cooperate in the conceptualization and implementation of tools that equip enterprises with greater resilience against disaster events.

69 UN. *Global Assessment Report on Disaster Risk Reduction 2019*; 2019; ISBN 978921004180





Busy commercial area of Pettah District, Colombo.  
Photo credit: Kevin Hellon/Shutterstock.com

## Adoption of business continuity planning as a tool for enhancing the disaster resilience of enterprises

Practitioners have increasingly recognized the importance of business continuity planning (BCP) and BCM as a tangible tool be utilized by private sector organizations in contributing to DRM, particularly in the context of Asian countries<sup>70,71,72</sup>. In particular, BCP has been highlighted as an appropriate tool that can be utilized by SMEs to enhance their resilience to disasters and other disruptive events.

The Ceylon Chamber of Commerce (CCC), Sri Lanka, is an advocate of the need for the private sector to shift its focus from disaster response and relief efforts towards a disaster preparedness approach. The CCC is an active member of the regional APP platform and its national chapter – the Sri Lanka Preparedness Partnership (SLPP). The private sector and responsible government agencies for disaster management in Sri Lanka have advocated for BCP as a means for business enterprises to build their

resilience to external shocks, including natural hazard-induced disasters<sup>73</sup>.

The SLPP in collaboration with the ADPC, the CCC, and the Government of Sri Lanka with support from Oxfam organized a national-level training of trainers (ToT) workshop in July 2018 which sought to proliferate the concept of business continuity and advance cooperative efforts between relevant stakeholders in the country. The technical component of the BCM training was facilitated with support from ADPC with the materials used having been contextualized for the Sri Lankan context. The event engaged 33 participants from private companies with MSMEs in their supply chains, large corporations, government officials overseeing private sector development and SME promotion, and LNGOs engaging in MSME training.

Utilizing the cohort of resource persons who had been trained at the national level workshop, the business continuity training sessions have also been rolled out at the sub-national level and for specific sectors, including the agricultural sector and financial institutions, in Sri Lanka with support from the SLPP. The adoption of business continuity approaches among institutions in the country is an example whereby regional organizations, with support from local agencies, have facilitated the uptake of tools that can enhance the disaster resilience of private sector enterprises.

70 Kato, M.; Charoenrat, T. Business continuity management of small and medium sized enterprises: Evidence from Thailand. *Int. J. Disaster Risk Reduct.* 2018, 27, 577–587, doi:10.1016/j.ijdr.2017.10.002.

71 Ono, T. Role of Private Sectors and BCP in Japan. In; 2015; pp. 135–148.

72 JICA Data collection survey for strategy development of disaster risk reduction and management sector in the Republic of Philippines. 2017, 1–148.

73 Fernando, N.; Jayasinghe, N.; Amaratunga, D.; Haigh, R.; Siriwardana, C.; Herath, H. Settling the ripples : An examination of Sri Lanka 's approach to addressing cascading impacts of the COVID-19 pandemic Settling the ripples : An examination of Sri Lanka 's approach to addressing cascading impacts of the COVID-19 pandemic. 2021.

The evolution of disaster events has progressively motivated novel approaches and the need for private sector engagement. COVID-19 has emphasized the need to incorporate mechanisms about public health into DRM and disaster preparedness policies and procedures.

### **Shifting perceptions of public-private partnerships for disaster management in the backdrop of COVID-19**

The aftermath of the 2015 earthquake in Nepal highlighted the role that the private sector can play because of disaster beyond the traditional role of businesses providing financial support or services as part of the response, recovery, and rehabilitation from disasters<sup>74,75</sup>. The corporate sector collaborated formally with the government and public sector agencies through PPP for reconstruction efforts in the wake of the disaster (Chatterjee, 2021). This catalyzed private sector engagement in other aspects of DRM and emergency preparedness<sup>76,77</sup>. The need to engage the private sector in proactive efforts for DRM in Nepal was reflected in the enactment of the country's Disaster Risk Reduction and Management Act 2017 which includes increased recognition and participation of the private sector in the overall DRM system. In part, this was motivated by the experience of previous disaster events in the country: the private sector suffered over 75% of the total estimated damage and losses resulting from the 2015 Nepal Earthquake<sup>78</sup>.

More recently, the COVID-19 pandemic has underlined the need for a multi-sectoral response to large-scale disasters while emphasizing the critical role that the private sector now plays in assisting the public response to the disaster events in different countries, including in Asia<sup>79,80</sup>. In Nepal, private sector engagement in the pandemic response and management became critical in mitigating the crisis as the public health system capacity was often exceeded given human and material resources at the provincial, municipal, and community levels<sup>81</sup>.

The experience of the private sector actors engaged in the Nepal Preparedness Partnership (NPP), the national chapter of APP in Nepal, has reflected this evolving paradigm whereby the traditional conception of 'PPP' of public and private sector collaborating on a project, often related to infrastructure concerns, have shifted towards partnerships whereby the corporate sector is an active stakeholder engaged in emergency preparedness initiatives from their conception, through to implementation and completion.

The NPP platform has facilitated large private sector entities in the country, Nabil Bank and the Chaudhary Foundation, to work closely with government agencies and NGO networks to collaborate on system strengthening for multi-hazard emergency preparedness in the context of the COVID-19 pandemic. These private sector partners engaged as organizers of the Capacity Building of Local Health Workers and Humanitarian Organizations to Strengthen the Local Health System session. The event took place in all seven provinces of Nepal with 330 attendees from various sectors. It focused on local level preparedness for health emergencies including COVID-19. Participants were familiarized with government issues and World Health Organization (WHO) published information, educational, and communications (IEC) materials, as well as government-approved standard operating procedures (SOPs), guidelines, and protocols. The sessions covered containment and mitigation processes as well as preparedness and response plans. In terms of COVID-19, the workshop detailed the myths and realities of the pandemic and risk communications materials available for accurate information sharing. It also provided an overview of the COVID-19 scenario in provinces and districts. The event detailed the way towards a resilient health system at the local level and the roles and responsibilities of local-level governments. A context of the government's action outlined some of the actions that the private sector can engage in, and how the sector can support health workers and medical institutes.

The private sector partners in Nepal also engaged in the after-action review of local frontline health workers and humanitarian organizations. The review centered on capacity-building initiatives to strengthen local health systems. The event evaluated the role of stakeholders in strengthening community systems and investing in capacity building for local health systems by exploring avenues for private sector involvement in projects and support on emergency preparedness with a focus on health systems. Engaging the sector in response analysis has enhanced the sector's participation in multi-stakeholder partnerships while guiding the sector on the role it can play towards more holistic disaster resilience rather than merely providing funding for relief and reconstruction following disasters.

The COVID-19 pandemic has further identified the need for the private sector of respective countries to become increasingly involved in supporting their local communities against disaster impacts. The following section will analyze how the sector has the potential to reduce disaster-induced displacement of communities.

74 UNOCHA and DHL. *Combining Capabilities: How Public Private Partnerships are Making a Difference in Humanitarian Action.*; 2016;

75 World Economic Forum Building Resilience in Nepal through Partnerships. *World Econ. Forum* 2015.

76 UNOCHA and DHL. *Combining Capabilities: How Public Private Partnerships are Making a Difference in Humanitarian Action.*; 2016;

77 Thapa, M.B.; Giri, N.; Basnyat, M. Experience of Nepal: Implication to Risk Reduction. In; 2015; pp. 301–313.

78 Government of Nepal *Post Disaster Needs Assessment (PDNA) - Nepal Earthquake 2015 - Executive Summary*; 2015;

79 World Economic Forum Building Resilience in Nepal through Partnerships. *World Econ. Forum* 2015.

80 Panneer, S.; Kantamaneni, K.; Pushparaj, R.R.B.; Shekhar, S.; Bhat, L.; Rice, L. Multistakeholder Participation in Disaster Management—The Case of the COVID-19 Pandemic. *Healthcare* 2021, 9, 203, doi:10.3390/healthcare9020203.

81 Adhikari, B.; Ozaki, A.; Marahatta, S.B.; Rijal, K.R.; Mishra, S.R. Earthquake rebuilding and response to COVID-19 in Nepal, a country nestled in multiple crises. *J. Glob. Health* 2020, 10, doi:10.7189/jogh.10.020367.





Clay Pottery.  
Photo credit: Zoography/Shutterstock.com

## Challenges and barriers to private sector engagement in disaster management

The progression of multi-stakeholder engagement in DRM has led to enhanced engagement of the private sector. To maximize private sector involvement in DRM, businesses need to hurdle several challenges and barriers. Businesses must work closely with other stakeholders in DRR. They should also integrate disaster risks into their management practices. Moreover, there is still a need to have the definitive business case for the private sector to be a stakeholder in disaster risk management, which is still predominantly seen as the primary responsibility of governments and development partners.

The private sector has demonstrated its potential to engage and advance initiatives in DRM. This includes instances of private sector enterprises implementing their initiatives as well as examples whereby the traditional stakeholders engaged in the field have been able to have positive collaborations with businesses for disaster management activities. However, despite these successes, particularly in the Asia region, several challenges and barriers remain given maximizing efforts for engaging the private sector in disaster management.

One of the key challenges identified by the SFDRR is for the private sector to work closely with other stakeholders in disaster risk reduction, including the government, civil society organizations, and academia<sup>82</sup>. Commentators contend that, on the ground, the private sector remains an “under-appreciated actor” because

of disaster management efforts in many countries in Asia<sup>83</sup>. Furthermore, practitioners from other regions have cautioned that private sector capacities should be leveraged to support and supplement overall disaster management initiatives rather than being regarded as a “panacea” to disaster management challenges such as resource limitation or technical expertise<sup>84</sup>. Whilst there have been notable strides towards multi-stakeholder coordination, much can still be done to mainstream cooperation among these sectors. Therefore, the role of regional organizations and international development partners remains crucial in playing a facilitator role by connecting governments and NGOs with their private sector counterparts and identifying common areas of interest for partnership and cooperation between these different stakeholders.

Businesses also need to integrate disaster risks into their management practices<sup>85</sup>. This is especially true for MSMEs that have fewer resources compared to large companies. Considering their exposure and vulnerability, it becomes more difficult for MSMEs to be engaged in disaster management initiatives. Without meaningful integration of disaster risks into their management practices, businesses will be focused on operational issues as they face disruptions. This in turn limits their engagement in disaster management efforts intended for their partners and local communities.

82 United Nations. *Sendai Framework for Disaster Risk Reduction 2015-2030*; 2015;

83 Chatterjee, R.; Shaw, R. Role of Regional Organizations for Enhancing Private Sector Involvement in Disaster Risk Reduction in Developing Asia. In; 2015; pp. 47–67.

84 Van der Berg, A. Public-private Partnerships in Local Disaster Management: A Panacea to all Local Disaster Management Ills? *Potchefstroom Electron. Law J.* 2015, 18, 993–1033, doi:10.4314/pelj.v18i4.08.

85 United Nations. *Sendai Framework for Disaster Risk Reduction 2015-2030*; 2015;

Whilst the value of private sector engagement in DRM is now more widely recognized, there is still a lack of consensus about the definitive business case or motivation for the corporate sector to be a stakeholder in this area of concern which is still primarily seen as the primary responsibility of mandated government agencies, development partners and NGOs or CSOs. Ultimately businesses of any size are a 'for-profit' endeavor and would need to be certain of the value of continued engagement in disaster management initiatives at different scales whether it be at the global, regional, national, or local level. As such, there is still a pertinent need to establish a coherent and definitive 'business case' for businesses to involve in disaster management considering both the need to safeguard their operations in the face of disruptive events as well contribute to the overall resilience of the communities

and societies in which they are embedded<sup>86,87</sup>. The contribution that the private sector can play in providing solutions for displacement, as well as the benefits which businesses may garner themselves by engaging in solutions for displacement brought about by disasters or humanitarian crises, is also an area that requires greater consideration by practitioners and stakeholders engaged in the field, having been underutilized to date<sup>88</sup>.

86 UNESCAP & ADPC & Ready Asia Pacific *Resilient business for resilient nations and Communities*; UNESCAP, A.& R.A.P., Ed.; 2015;

87 UNISDR. *Private Sector Activities in Disaster Risk Reduction - Good Practices and Lessons Learned*; 2008;

88 Boyer, G.; DuPont, Y. The Contribution of the Private Sector to Solution for Displacement. *Force Migr. Rev.* 2016, 36–38.

## Return on resilient investments: Going forward with the private sector

The following recommendations have been observed to further advance private sector engagement in DRM:



Engagement of the private sector in disaster-related dialogues by traditional disaster management stakeholders to better coordinate and complement the efforts of a variety of stakeholders



Enhanced disaster resilience of the private sector enterprises through business continuity planning and related capacity building interventions



Strengthening of existing platforms and forming new networks of businesses to rationalize processes and achieve synergy in development efforts, including dedicated platforms for disaster management



Integration of the private sector in national and local efforts against multiple and complex emergencies (including COVID-19 pandemic) including at the planning and strategizing phase



Identification of new avenues in which the private sector can participate (with a continued focus on the shift from relief and recovery to preparedness and mitigation)



Replication of successful private sector initiatives in other countries with support from international development partners and regional organizations



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