

## **Thematic Sessions on Urban Risk**

### **Background**

The world is going through a process of urbanization in which cities are growing at rates not seen before. This is especially true in developing countries where cities grow at annual rates that are above the world's average. This very fast, and, in many cases, poorly planned growth results in a rapid increase of urban vulnerability and, consequently, of urban risk. Appropriate addressing of this problem requires no short-term initiatives nor emergency measures but a visionary approach and concerted efforts to incorporate risk management as an integral part of public policy and development programs. With this in mind, the urban risk sessions will take advantage of the accumulated expertise and knowledge of the presenters to discuss the following issues:

1- Impact of natural disasters on international development. Available data suggest that natural disasters can cause considerable damage with potentially severe economic consequences. Currently, however, estimated losses are largely based on direct physical impacts or losses of fixed capital and inventory, while many indirect and secondary effects on economic activity—such as changes in fiscal policy or the long-term consequences of the reallocation of investment resources—go unrecorded. It is important to understand the particular problems that disasters pose for middle- as well as low-income countries. Also, natural disasters should be examined not as singular events but rather as a series of successive random shocks which may have had a long-term impact on the pace and nature of development. Any experience in this regard that could be shared?

2- The actors in managing the risk and their roles. There is a growing consensus on the need to strengthen the ability of cities to manage their risk and increase their autonomy in this process. It is difficult to imagine a national risk management plan in Thailand, for example, that is good at the same time for Bangkok, the capital, and for any of the other much smaller Thailand cities. How to increase capacity and autonomy of cities? What should be the right level of participation of the central government? How to get the participatory involvement of the community? How to make the best use of a growing civil society (NGOs)? What is the information that technical experts should provide so that it can be readily applicable to city programs and policies?

3- Sustainability of risk management activities. There are many examples of short-term risk management projects and initiatives. However, there is lack of continuity and, therefore, lack of real impact. How to ensure sustainability of these initiatives? How to generate local funding for risk management? How to incorporate the private sector? Can insurance be used effectively as an incentive tool? What are the legal and financial frameworks that can promote sustainability? What institutional capacity is required? How to ensure political commitment and community support and participation?

4- The role of international assistance. There have been serious concerns about the effectiveness of international organizations in promoting risk reduction in developing countries. In most of the cases, their work focuses on emergency response and relief activities AFTER the disaster; their development programs do not include risk considerations; their mechanisms to provide financial assistance are said to promote corruption; most of their programs are short lived and lack long-term vision. How can the effectiveness of international collaboration be increased? What is required to change the mentality of big bureaucracies that suffer from change aversion? How to coordinate the efforts of the various international agencies to increase impact and efficiency? How to increase transparency in the use of financial assistance? How can these agencies reward the good work of local authorities instead of assisting and helping (rewarding?) those who did not do their job?