

OECD member countries have been significantly affected by disruptive shocks events over the past decades, with increasing economic impacts.

In the last 30 years the number of shocks has increased from around 100 to at times more than 300 each year across OECD member countries, causing hundreds of billions in annual losses. They present governments with many challenges, threaten many citizens' lives, and have the potential to disrupt the activity of small and medium-sized businesses and transnational corporations alike. Large critical infrastructure can also be at risk, with devastating impacts as demonstrated in the Great East Japan Earthquake in 2011. Such large scale disruptive shocks have led countries to strengthen risk management policies, including the identification and assessment of risks as well as the implementation of measures that increase resilience.

Addressing critical risks across OECD member countries requires support from the highest political level, but equally an engagement for managing risk reduction across all governmental sectors and territorial levels, including local communities. This requires strategic frameworks, incorporating and co-ordinating strategy, capability, and governance to enable risk-informed policy making. Risk reduction is overseen by the Centre of Government (mostly prime minister's office) in four OECD countries and central co-ordination is assured in most others, often located in the national civil protection departments.

Risk management policy has also been mainstreamed across sectors, through strategies, plans and tools. Nearly all OECD member countries that initiated inter-disciplinary reviews of progress in integrating risk management in public policy and investment systematically consider disaster risk management in sectoral public investment strategies and planning. However, only two-thirds use analyses of the costs and benefits of risk management in the design and operation of major public investments. The importance attributed to the local level is reflected by the fact that 86% of OECD member countries have established a legal framework for local responsibilities and almost two-thirds developed risk sensitive regulation in land zoning and private real estate development. Still, the share of local governments that receive a regular allocation for disaster risk reduction, namely 62%, is much lower. The legal enabling environment will remain ineffective if local governments are not provided with necessary resources to carry out risk reduction activities.

The challenge for governments is to organise integrated policy responses that address multidisciplinary challenges. In this respect, the National Risk Assessments represent an important tool, which can help build an all-hazard integrated risk management strategy. However, over half of OECD member countries conduct their assessments in an integrated manner, based on an all-hazard approach and future probable risks in their assessments.

In comparison to the challenges faced in lower income countries, the standards attained in risk management across the OECD are high. Nevertheless, with growing

exposure and changing hazard profiles, economic losses continue to increase, despite a downward trend in disaster fatalities. Early warning systems have allowed warnings to be transmitted effectively to affected communities that, in turn, generally know how act upon them. Risk awareness has also been raised in many countries, not least as the result of effective public campaigns and integration of risk management tenets in the standard curricula of primary, secondary and tertiary education institutions.

Methodology and definitions

Data on disasters are based on EM-DAT, the OFDA/CRED International Disaster Database (www.emdat.be) developed by the Catholic university of Louvain-Brussels in Belgium. Losses are based on SwissRe estimations. The online platform managed by the UN's International Strategy for Disaster Risk Reduction provides access to country reports on progress towards the Hyogo Framework for Action objectives (www.preventionweb.net/english/hyogo/). Data reported here reflect the latest reporting period (2011-13). The progress reports are based on a self-assessment undertaken through multi-stakeholder processes. Finally, information was obtained through a set of OECD questionnaires, followed by phone interviews in 2012, in collaboration with public officials, and other risk experts from the OECD High Level Risk Forum.

Figure 2.17, Total number of annual disasters 1980-2010, is available on line at <http://dx.doi.org/10.1787/888932941101>.

Further reading

OECD (2012), *Disaster Risk Assessment and Risk Financing: A G20/OECD Methodological Framework*, OECD, Paris, www.oecd.org/gov/risk/G20disasterriskmanagement.pdf.

SwissRe (2011), "Closing the financial gap: New partnerships between the public and private sectors to finance disaster risks", SwissRe Economic Research and Consulting, Zurich, http://media.swissre.com/documents/pub-closing-the-financial-gap_w1.pdf.

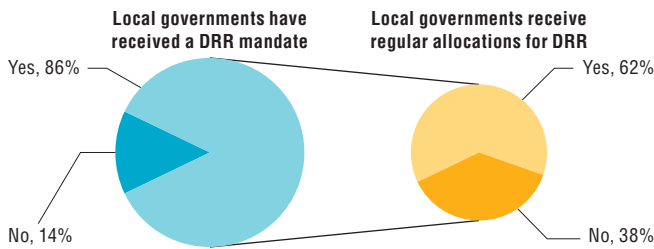
UNISDR (2013), *Global Assessment Report on Disaster Risk Reduction – From Shared Risk to Shared Value: The Business Case for Disaster Risk Reduction*, United Nations Office for Disaster Risk Reduction, Geneva, www.preventionweb.net/english/hyogo/gar/2013/en/home/index.html.

Table note

Data for Austria, Belgium, Denmark, Estonia, Iceland, Ireland, Israel, Luxembourg and the Slovak Republic are not available.

2.16: Information on Canada draws on HFA data for the period 2009-11.

2.14. Local governments of OECD member countries with a disaster risk reduction (DRR) mandate and budget



Source: Data extracted from the HFA progress reports published on: www.preventionweb.net/english/hyogo/progress/?pid:3&pil:1.

StatLink <http://dx.doi.org/10.1787/888932941082>

2.15. Responsibility for DRR co-ordination across OECD countries

Responsibility for DRR co-ordination is situated in:	
Prime minister's office	Australia, France, New Zealand, Turkey
Central planning and/or co-ordinating unit	Chile, Egypt, Greece, Japan, Korea, Norway, Poland, Switzerland, United Kingdom
Civil Protection Department	Australia, Finland, France, Italy, Norway, Portugal, Slovenia, Sweden
Environmental planning agency	France, Switzerland
Ministry of Finance	France

Source: Data extracted from the HFA progress reports published on: www.preventionweb.net/english/hyogo/progress/?pid:3&pil:1.

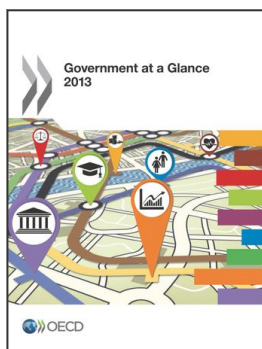
StatLink <http://dx.doi.org/10.1787/888932943248>

2.16. OECD national risk management policies

	Risk in national policy planning-risk is integrated in:					Risk assessment				Financial contingency planning		Early warning			Education and training
	Public investment and planning decisions	National dvpt. plan	Sector strategies and plans	Civil defence policy, strategy and contingency planning	Land zoning and real estate dvpt.	National risk assessment	All hazards approach	Whole of government approach	Future probable risk integrated in risk assessment	National contingency and calamity funds	Catastrophe bonds and other capital market instruments	Areas at risk receive timely and understandable warnings	Warnings are acted on effectively	Communication systems and protocols used and applied	Public campaigns in areas at risk include disaster risk
Australia	●	●	●	●	●	●	●	..	●	●	●	●	●	●	●
Canada	●	●	●	..	●	○	●	●	●	●
Chile	●	●	●	●	●	..	○	..	○	●	●	●	●	●	●
Czech Republic	●	●	●	○	○	..	●	..	○	●	○	●	●	●	●
Finland	●	●	●	●	●	..	○	..	●	●	○	●	●	●	●
France	●	○	●	●	●	●	○	●	○	●	○	●	●	●	●
Germany	●	○	○	○	○	●	○	..	○	○	○	●	●	●	●
Greece	●	●	●	●	●	..	○	..	●	●	○	●	●	●	●
Hungary	●	●	●	●	●	●	○	●	●	●	○	●	●	●	●
Italy	●	●	●	●	○	..	●	..	●	●	○	●	●	●	●
Japan	●	●	●	○	●	..	●	..	○	●	●	●	●	●	●
Korea	●	●	●	○	●	..	●	..	●	●	●	●	●	●	●
Mexico	●	●	●	●	●	●	●	..	○	●	●	●	●	●	●
Netherlands	●	○	●	●	●	●	●	●	●	●	○	●	●	●	●
New Zealand	●	○	●	●	●	●	●	..	●	○	●	●	●	●	●
Norway	●	○	●	●	●	●	●	○	●	○	●	●	●	●	●
Poland	●	●	●	●	○	..	○	..	○	●	●	●	●	●	..
Portugal	..	●	●	●	○	..	●	..	●	●	○	○	○	○	●
Slovenia	●	●	●	●	●	..	●	..	●	●	○	●	●	●	●
Sweden	●	●	●	○	●	●	●	●	●	●	○	●	●	●	●
Switzerland	●	●	●	●	●	●	●	●	●	○	●	●	●	●	●
Turkey	●	●	●	●	●	●	○	..	○	●	○	●	○	●	●
United Kingdom	●	○	●	●	○	●	●	●	●	●	○	●	●	●	●
United States	●	○	●	●	●	●	●	●	●	●	●	○	●	●	●
Brazil	●	●	○	●	●	●	○	..	●	○	○	●	○	○	●
China	●	●	●	●	○	●	●	..	●	●	○	●	●	●	●
Egypt	●	○	○	●	○	●	●	..	○	●	●	●	●	●	●
India	●	●	●	●	●	●	●	●	●	●	○	●	●	●	●
Total OECD															
● Yes	22	16	22	18	17	14	16	8	15	22	8	23	21	23	23
○ No	0	7	1	5	6	0	8	1	8	2	16	1	3	1	0

Source: Data extracted from the HFA progress reports published on www.preventionweb.net/english/hyogo/progress/?pid:3&pil:1.

StatLink <http://dx.doi.org/10.1787/888932943267>



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