

Disaster Risk Financing & Insurance Program











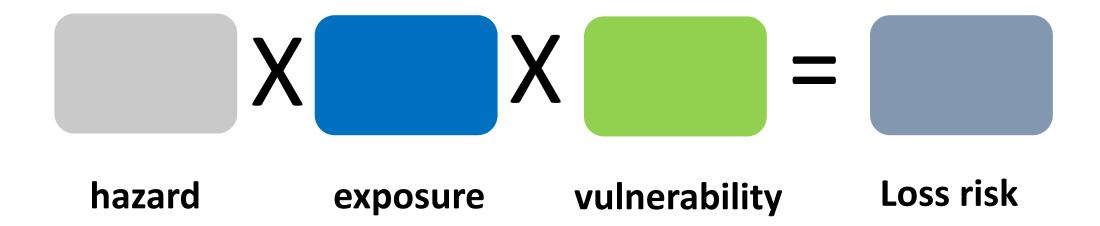


Abstract

- To manage *disaster risk* we have to understand its components: the *hazard* (the damaging agent), the building, crop or people *exposure* and the *vulnerability* of that exposure to the hazard.
- The common natural hazards: earthquake, cyclone, flood and drought have their specific geography, severity and probability. Some perils are intensifying with climate change. Building exposure grows with urbanization and population. While we know how to build to withstand or avoid the hazards, all too often these lessons are not applied.
- The keys to *resilience* are in anticipating, preparing and building back better after disasters.

The Risk Equation

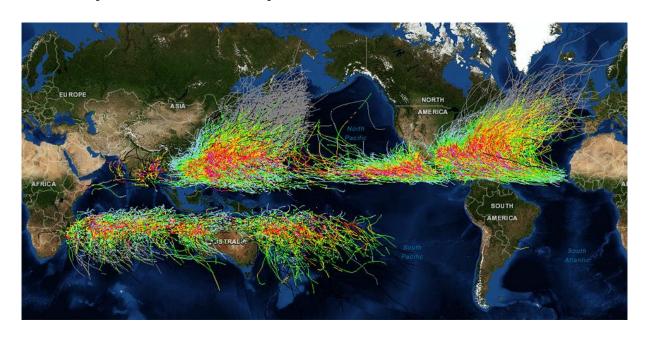
The risk 'equation'

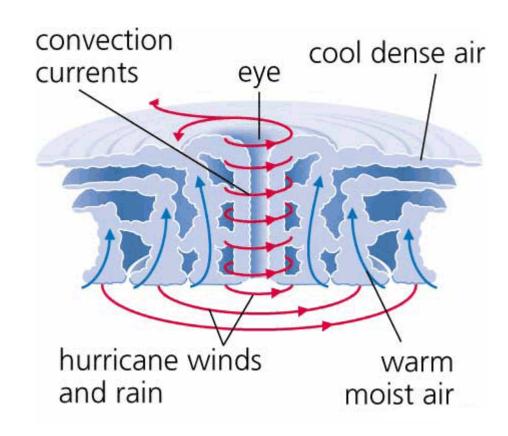


Hazards: severity and geography

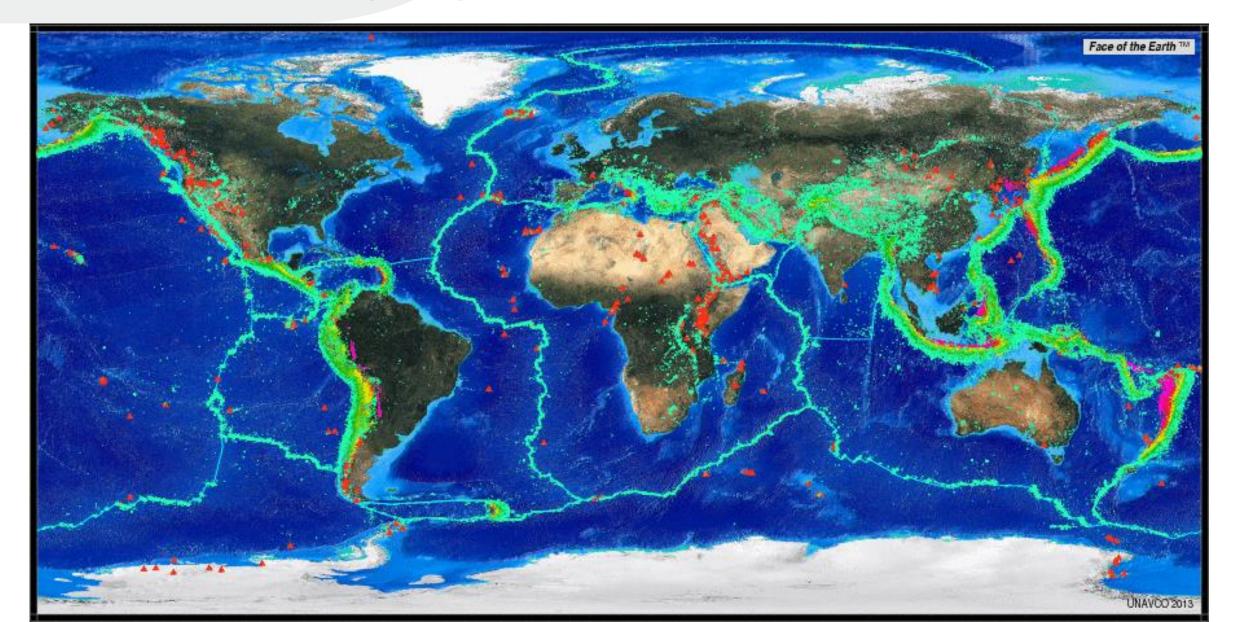
Tropical Cyclone

- Local names = Hurricane, Typhoon, Cyclone
- Tropical form over water >27C but not within 8-10 degrees of the Equator
- Principally coastal impacts as cyclones decay over land





Earthquake geography



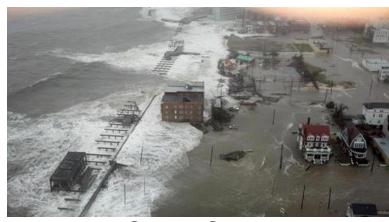
Classes of floods

Pluvial



Fluvial









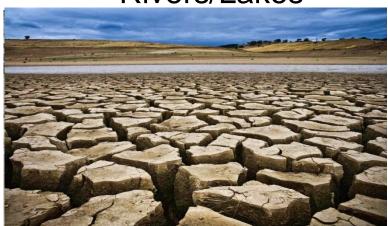
Damburst

Drought

Groundwater



Rivers/Lakes





Heatwave



Wildfire

Exposure

The megacities of South America



Each major city has its barrios...



Agriculture exposure categories

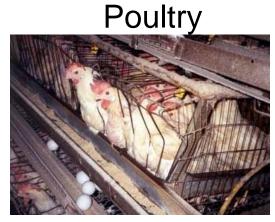
Crops















Vulnerability

Vulnerability to damage & loss





Earthquake

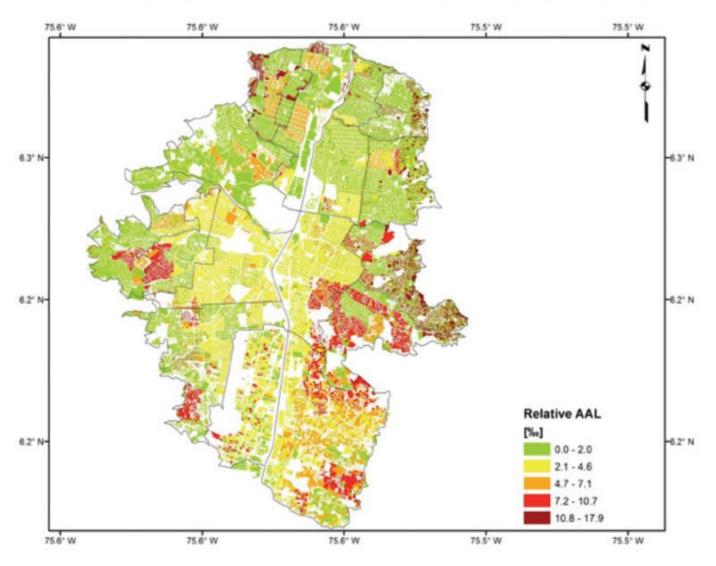
Wind

Risk

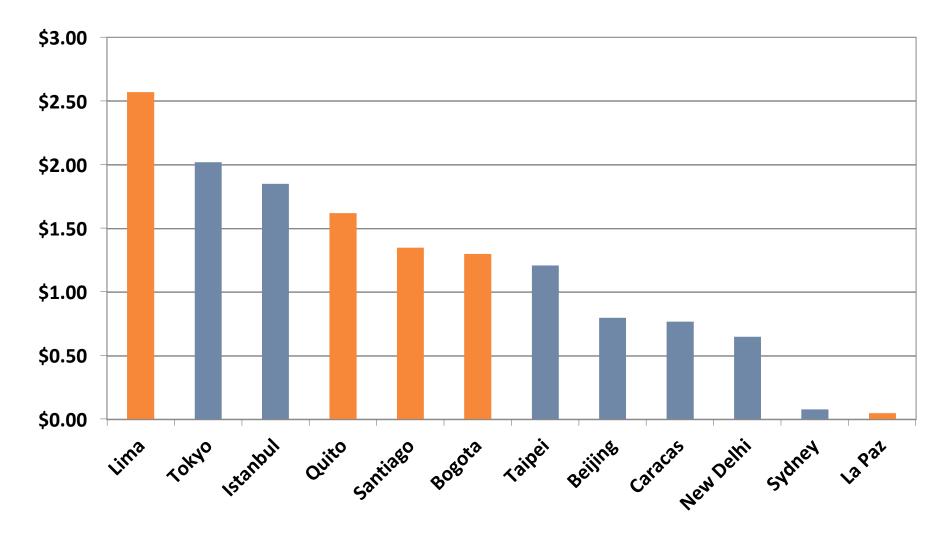


FIGURE 2. Earthquake relative AAL map for Medellin, Colombia

Source: Mario A. Salgado-Gálvez, Daniela Zuloaga-Romero, Gabriel A. Bernal, Miguel G. Mora, and Omar D. Cardona, "Fully Probabilistic Seismic Risk Assessment Considering Local Site Effects for the Portfolio of Buildings in Medellín, Colombia," Bulletin of Earthquake Engineering 12 (2014): 671–95.



Economic Residential Loss Cost (AAL/\$1000 exposure value) -- Capital Cities

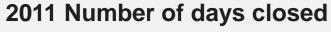


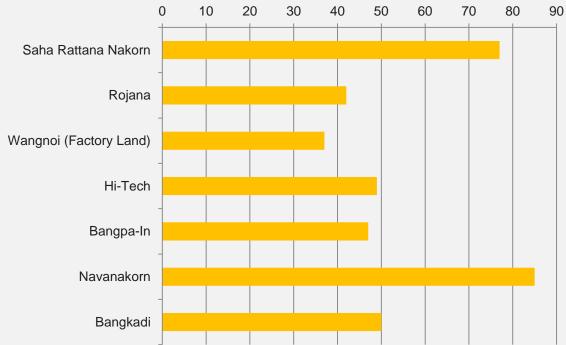
 What is the chance multiple Industrial Parks are affected by the same catastrophe?

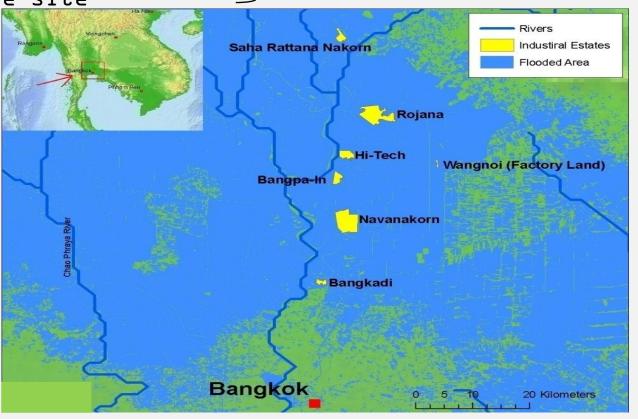
- •Flat (for production lines)
- •Cheap
- •Not previously built on

•Expandable site

= Floodplain

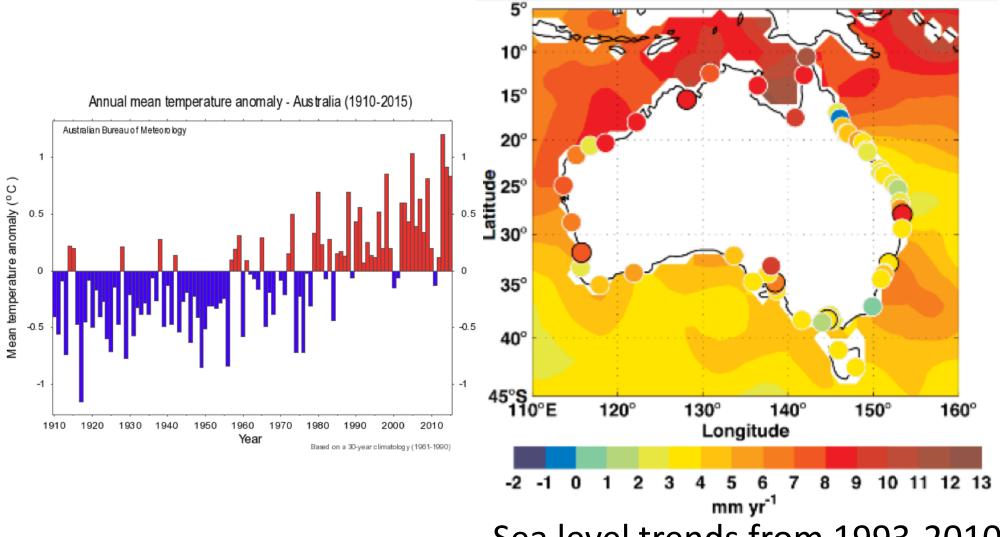






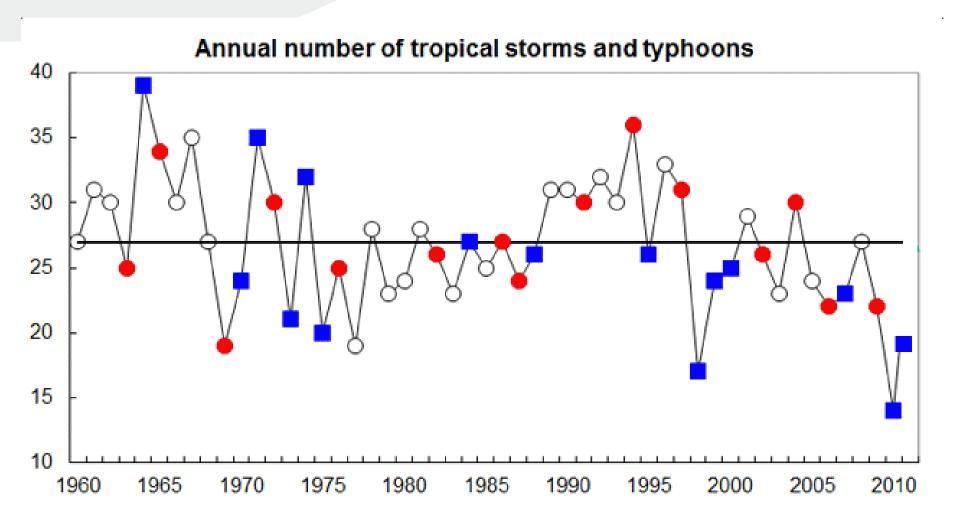
Change

Changing climate

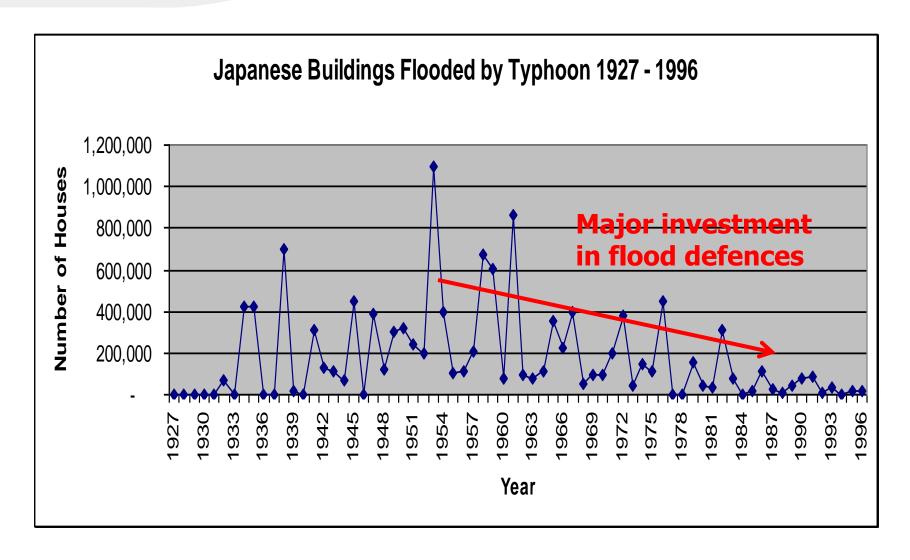


Sea level trends from 1993-2010

West Pacific typhoons



Trends can be reversed





Drivers of Change:

- Changes in Climate
- Increases in Exposure at risk
- Urbanization

Resilience

Resilience

- Full anticipation of potential disasters (and their likelihood)
- Focus on building code compliance and zoning
- Infrastructure protections
- Foster strong & informed social networks





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