Overview of the MTR SF Plenaries

The Plenaries of the Midterm Review of the Implementation of the Sendai Framework for Disaster Risk Reduction 2015-2030 (MTR SF) provide States and non-State stakeholders the opportunity to engage in a moderated exchange and discussion to:

- take stock of progress in implementing the framework since adoption,
- examine changes in context and new emerging issues since 2015, and those expected in the period to 2030,
- examine renovations to risk governance and risk management that can accelerate and amplify actions pursuing the achievement of the outcome and goal of the Sendai Framework, and risk-informed regenerative and sustainable development.

The Plenaries form a central part of the consultations of the MTR SF to be included in a report on the MTR SF, which will inform a high-level meeting of the General Assembly in New York on 18 and 19 May 2023. As mandated by the General Assembly (76/204), the meeting will adopt a concise and action-oriented political declaration to renew commitment and accelerate the implementation of the Sendai Framework. The outcome of the MTR SF can also inform the quadrennial review of the SDGs at the ECOSOC High-level Political Forum on Sustainable Development in July of 2023; the SDGs Summit and the UN Secretary General’s Summit of the Future, at the 78th Session of the UN General Assembly in September 2023; and the global stocktake of the Paris Agreement (GST) at COP28 in November 2023.

The three MTR SF Plenaries will take place over two days in hybrid format and inform the outcome of the Global Platform 2022. Presided over by the Special Representative of the Secretary-General and the Host Government, MTR SF Plenary sessions are open to all registered participants of the Global Platform 2022, and are guided by the Concept Note of the MTR SF, the Guidance for Member States, and the Guidance for Stakeholders, which can be accessed here.

To explore the themes of the three MTR SF Plenary sessions, visit the Agenda.

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1 The MTR Plenaries will take place simultaneously in-person and online
Background to the Midterm Review of the Sendai Framework

With climate breakdown and the COVID-19 pandemic demonstrating the consequences of a failure to better understand and manage risk, and with the achievement of the goals and outcomes of the Sendai Framework and the 2030 Agenda for Sustainable Development in jeopardy, the UN General Assembly (UNGA) decided to hold a “midterm review of the implementation of the Sendai Framework 2015-2030” (MTR SF).

A retrospective and prospective stocktaking and review exercise, the MTR SF will assess progress made, examine challenges experienced in preventing new and reducing existing disaster risk, explore context shifts and emerging issues, and so identify renovations to risk governance and risk management able to contend with 21st century challenges. It will explore aspects of the integration of risk reduction into development, humanitarian, and climate action, allowing the re-examination and redress of our relationship with risk.

Through consultations and review by States and other stakeholders, the MTR SF will “assess progress in integrating disaster risk reduction into policies, programmes and investments at all levels, identify good practice, gaps and challenges and accelerate the path to achieving the goal of the Sendai Framework and its seven global targets by 2030”.

States recognised that “the Sendai Framework.....provides guidance relevant to a sustainable recovery from COVID-19 and [...] to identify and address underlying drivers of disaster risk in a systemic manner”.

The recommendations of States and non-State stakeholders seek to amplify and accelerate action in all sectors and at all scales through to 2030 and beyond, in pursuit of the outcomes and goals of inter alia the Sendai Framework, the 2030 Agenda for Sustainable Development, the Paris Agreement, and risk-informed sustainable and regenerative development.

As both a retrospective and prospective exercise, the MTR SF process aims to:

- Prompt deep reflections in the COVID reality on how we understand the systemic nature of risk, our relationship with it, and how we can reduce disaster risk and loss.
- Support integrated partnerships and actions that harness what we know and what we do, to shape how we choose, interact and decide.
- Build collective and relational intelligence to establish new ways of knowing risk and new forms of collaboration that mean risk governance and management mechanisms and approaches are no longer overwhelmed.
- Develop policy options, and new modalities of implementation through recommendations for Governments and other stakeholders to accelerate realisation of the goal and outcome of the Sendai Framework and risk-informed sustainable development.

Consultations and review will generate critical analysis to assist countries and stakeholders develop recommendations for prioritised, accelerated and integrated international, national and local cooperation and action in the period 2023 to 2030, and to initiate nascent thinking on possible international arrangements for risk-informed sustainable development beyond 2030.

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2 UNGA Resolution A/RES/75/216 of 29 December 2020
3 idem
4 idem
The Midterm Review of the Sendai Framework Plenaries

The Midterm Review of the Sendai Framework Plenaries (MTR SF Plenaries) will be moderated in-person and online discussions.

Co-Chairs:

- Mami Mizutori
  Special Representative of the UN Secretary-General for Disaster Risk Reduction

  and

- The host Government
  (@ Ministerial-level; to be announced)

The MTR SF Plenaries will be held on:

- Thursday, 26 May from 14:00 – 16:30
- Thursday, 26 May from 16:30 – 19:00
- Friday, 27 May from 14:00 – 16:30

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5 All times WIB+07
MTR SF Plenary Theme

MTR SF Plenary 1:
Resourcing risk-informed regenerative and sustainable development.

Summary:
This Plenary will convene a discussion on global financing frameworks and macro-economic governance, specifically in relation to addressing risk and building resilience. This includes addressing how risk features within the financial sector, the continued failure to sufficiently internalize current and projected risks into private and public sector financing, as well as how finance can be made more widely accessible and affordable, to be better deployed to address risk and build resilience in society.

Many aspects of the financial system, macro-economic policy, and development and climate finance are primary contributors to creating and perpetuating risks and hazards, posing potential existential threats to humans and the ecosystems on which we depend. While progress is observed in the enhanced inclusion of climate change adaptation as an environmental objective in the context of green financial products and services, concerns remain that investors often do not consider how their investment may be creating exposure and vulnerability of local communities, supply chains and ecosystems, ignoring or disassociating such investments from subsequent macro-economic implications.

While the case for investing in prevention, risk reduction and resilience remains clear, the financial rationale for risk reduction for many hazards is limited. Factors like short-termism, regulatory capture, limited understanding and lack of inclusion in policy-making pose barriers. Mandates for multi-hazard risk analyses or disclosures are scarce and much greater political commitment is needed to remove or alleviate disincentives to resilience. This situation calls for a reform and realignment of the financial sector in line with addressing risk and building resilience, for which political commitment, public buy-in and support are critical enablers of all available policy options.

Elements of this realignment include reimagining the fundamental relationship between the economy and the environment and society, and making progress on related universal standards, lexicon and taxonomy.

National governments and national financing bodies can benefit from building capacity and understanding in this area to internalize current negative externalities from many economic activities. Demonstration of how national ministers, regulators and financial supervisors can incentivise or mandate a multi-hazard approach to risk reduction is needed.

This must be supported with enhanced guidance on how to integrate disaster risk into procurement processes, accounting practices, as well as in international and national accounting standards. Similarly, guidance on alternative lending standards and collateral documentation for informal markets is critical.

This session seeks to also strike links with the work being undertaken by the Inter-Agency Task Force on Financing for Development (FfD), and the Financing for Development Follow-up Forum in relation to the Addis Ababa Action Agenda.

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Context
The macroeconomic implications of realised risk (disasters) cannot be confined to a single sector or country, take for example the extraordinary worldwide socio-economic crisis caused by COVID-19. While the pandemic continues, the world continues on its halting road to recovery; which remains drastically uneven. The economic scarring caused by the pandemic is exacerbating “human vulnerability patterns shaped by past developments”7. Such vulnerabilities “are worsened by compounding and cascading risks and are socially differentiated”8, leading to a sharply diverging world. The severe fiscal impacts of the crisis are triggering debt distress in a growing number of countries, severely limiting the ability of many countries to invest in recovery and resilience, and sustainable development in general.

At the same time those countries with the capacity to continue to finance recovery are almost exclusively doing so in ways that are accelerating the creation of risk – as Johns Hopkins University observes less than 6% of G20 COVID stimulus spending is being assessed as compatible with risk-informed regenerative and sustainable development9, and there is increasing evidence of how maladaptation “in some sectors and systems [is creating] long-term lock-in of vulnerability, exposure and risks that are difficult and costly to change”10.

In the Agreed Conclusions and Recommendations of the 2021 ECOSOC Forum on Financing for Development, Member States have already called for an urgent shift in the balance from investing in response to investing in prevention and in risk reduction. This is echoed in the Glasgow Pact which reiterates the urgency of scaling up finance to minimise and avert loss and damage associated with the adverse effects of climate change in developing countries. Moreover, in his report on “Our Common Agenda”, the Secretary-General calls for a renewed approach to development that is grounded in strategic foresight and reducing risk for future generations.

If the current risk-blind approach to macro-economic policy and development and finance persists, economic losses due to disasters will continue to increase. The lack of decisive action risks shrinking the already small window for transformative action, and may render the ‘decade of action’ a ‘lost decade’ placing sustainable development and resilient societies out of reach.

Broadening the Conversation
The focus of the MTR SF includes a prospective inquiry on how to better address risk and building resilience. In this context, and building on what we have learned and observed since adoption of the Framework in 2015, the discussion will highlight ways to understand and apply existing and emerging concepts in a manner that forwards the imperative to realize regenerative sustainable development.

It is worth noting that due to the inherently interrelated and interdependent nature of risks and hazards, and the scope and scale of the financial system, this matter has now gone beyond the physical and political boundaries of any individual nation, to become a global anthropogenic phenomenon that involves all countries, with “irreversible changes....from the interaction of

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8 Idem
stressors and the occurrence of extreme events”\textsuperscript{11} becoming increasingly frequent – as the recently published 6\textsuperscript{th} Assessment Report of the IPCC notes.

Such extremes are “surpassing the resilience of some ecological and human systems, and challenging the adaptation capacities of others, including impacts with irreversible consequences”\textsuperscript{12}. With “vulnerable people and human systems, and climate sensitive species and ecosystems…..most at risk”\textsuperscript{13}, such changes may diminish or eliminate the possibilities for societal resilience and even render global financial and economic systems dysfunctional.

Guiding Questions:

1. What progress has been observed since 2015 in:
   i. Integrating multi-hazard risk reduction considerations within public and private investment, including development and climate finance?
   ii. The development of tools, polices, and legislation to ensure risk reduction and prevention are included in investments in all asset classes?

2. What in our current economic system continues to reward efforts to externalise risk and exploit living systems, and prevent or hinder sustainable consumption and production?

3. How can learning since adoption of the Sendai Framework (the 2030 Agenda and the Paris Agreement) in 2015 be applied to expand the scope of the discussion, pursue a comprehensive re-pricing of risk, and enable a more holistic approach to addressing risk and building resilience?
   i. How can risks that are currently being overlooked be better integrated into procurement processes, accounting practices and standards?
   ii. How can more appropriate valuation approaches and pricing models be applied to the exploitation of agricultural activities and the exploitation of both natural resources and human labour by predominant economic actors?

4. What instruments (including debt sustainability measures) are available to LDCs, LLDCs and SIDS to access resources, both domestically, and through the global financial system or the global multilateral system? How can existing debt and loan portfolios be better aligned with the Sendai Framework?

5. As we seek new metrics beyond GDP, what are the risks and opportunities of ensuring that nature’s contributions to human health and wellbeing are treated as central in avoiding the creation of new risk and the management of existing risk?

\textsuperscript{11} IPCC Sixth Assessment Report (2022) Working Group II, Technical Summary C.2. (IPCC AR6 WGII TS.C.2.)
\textsuperscript{12} IPCC Sixth Assessment Report (2022) Working Group II, Technical Summary B.2. (IPCC AR6 WGII TS.B.2)
\textsuperscript{13} Idem