

16 October 2025, 10:00am – 1:00pm, Conference Room 2, UNHQ

## Towards a risk-informed approach to development: Financing Resilience Today for a Sustainable Tomorrow

### Background and Rationale

#### Current Global Risk Scenario

The world is at a critical juncture on the path to achieving the Sustainable Development Goals (SDGs) by 2030. Progress is faltering, and multiple interlinked crises driven by disasters, climate change, environmental degradation, rapid urbanization, and systemic risks are compounding vulnerabilities.

Disasters destroy lives and livelihoods, erode hard-won gains, and exacerbate inequalities, particularly in fragile and vulnerable contexts. In 2024 alone, **disasters affected over 167 million people** and **disaster costs now exceed over \$2.3 trillion annually**, taking into account cascading and ecosystem costs.<sup>1</sup> Current projections indicate that the **number of disasters could rise by 40% between 2015 and 2030**, amplifying systemic risks and jeopardizing the achievement of all the SDGs.<sup>2</sup> Without urgent action, the risk of backsliding on progress achieved thus far is real and imminent.

The importance of a risk-informed approach to development has been emphasized in several intergovernmental outcomes, including the 2023 SDG Summit Political Declaration, the Midterm Review of the Sendai Framework, and the Pact for the Future. Most recently, the Compromiso de Sevilla **underscored the importance of scaling up investment in disaster risk reduction and disaster risk financing** to safeguard development gains from disasters. While policymaking has increasingly recognized this need, it has yet to translate into concrete actions and investments on the ground. **Current investments in prevention meet less than 25% of actual needs across many countries**, while less than 0.5% of Official Development Assistance (ODA) is directed toward disaster prevention and preparedness.<sup>3</sup> In contrast, 11% of ODA goes to emergency response and recovery, reinforcing reactive rather than proactive approaches.

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<sup>1</sup> <https://www.undrr.org/gar/gar2025>

<sup>2</sup> UNDRR (2022), Global Assessment Report on Disaster Risk Reduction 2022: Our World at Risk: Transforming Governance for a Resilient Future

<sup>3</sup> UNDRR, Resilience Expenditure Landscape: Tracking spending on disaster risk reduction and climate change adaptation (2024)

This chronic underinvestment creates a vicious cycle: each disaster forces governments to divert scarce resources from long-term development to emergency relief, deepening fiscal stress and increasing debt burdens. **Vulnerable countries are disproportionately affected**, in particular the least developed countries, small island developing States, landlocked developing countries and African countries, as well as middle-income countries facing specific challenges. **Their limited fiscal space and high debt vulnerability constrain their ability to invest in resilience**, leaving them exposed to repeated shocks.

### The Economic Case for Prevention

Investing in prevention is not only a moral imperative but an **economic necessity**. Evidence consistently shows that the benefits of DRR measures far outweigh their costs, with **benefit-cost ratios ranging from 2:1 to 10:1 or more** depending on the measure and context. Measures such as strengthening infrastructure to withstand hazards and investing in nature-based solutions yield high resilience dividends by reducing losses, safeguarding livelihoods, and accelerating recovery.

Investments in **early warning systems combined with anticipatory approaches are among the most cost-effective interventions**, enabling timely action before shocks materialize, reducing humanitarian needs and supporting long-term development objectives. However, significant gaps persist in coverage, capacity, and financing, necessitating targeted technical and financial support to deploy and sustain early warning systems and ensure last-mile delivery to communities at risk. Bridging these gaps requires not only new resources but also the realization of existing international commitments on financing and support, **ensuring that pledges translate into tangible resilience outcomes for vulnerable countries**.

**Failure to act now will lead to escalating costs.** Disasters are already costing the global economy trillions annually and are projected to rise as risks intensify. Inadequate investment in resilience today will magnify future fiscal pressures, increase sovereign debt risk, and undermine global financial stability. **Addressing these challenges requires urgently implementing global commitments on financing for development, and exploring innovative financing solutions**, including blended finance, resilience bonds, debt swaps, and public-private partnerships, coupled with capacity-building and technology transfer.

### Objectives of the Event

1. **Strengthen global policies to scale up investment in resilience** and ensure risk-informed investments for sustainable development.
2. **Showcase successful initiatives** at a global and local level, that have demonstrated impact in saving lives and reducing losses.
3. **Highlight tailored support needs** for vulnerable countries and explore innovative financing solutions, partnerships, and integrated approaches.

## Tentative Agenda

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### **10:00am – 10:30am Opening Segment:**

1. Message from SRSK Kamal Kishore
2. Statement by Chair of 2C

### **High-Level Panel Discussions:**

**10:30am – 11:00am Panel 1: Investing in Resilience to Safeguard SDGs** – The economic and development rationale for risk reduction, prevention and resilience investments

*This session will highlight why prevention is smarter, cheaper, and essential for achieving the SDGs, explore how to de-risk investments, engage development banks and the private sector, and base actions on research and evidence.*

**11:00am – 11:40am** Moderated Interactive Discussion with panelists

**11:40am – 12:10pm Panel 2: Tailored Solutions for Vulnerable and Local Contexts** – Financing strategies, concessional mechanisms and partnerships.

*This session will showcase through real-world examples how countries facing unique vulnerabilities can access tailored support through concessional financing, partnerships and targeted initiatives.*

**12:10pm – 12:40pm** Moderated Interactive Discussion with panelists

### **12:40pm – 1:00pm Closing Session:**

1. Reflections from Moderators of two Sessions
2. Closing Remarks by Chair of 2C

## Expected Outcomes

- Political commitment to **scale up investments in prevention and resilience** as a foundation for SDG progress.
- **Pledges and policy commitments** from Member States and partners to integrate DRR into national financing strategies and support to vulnerable countries.
- Greater visibility for **initiatives delivering impact**, encouraging replication and scale-up.
- Concrete recommendations feeding into Follow-up of **FFD4 and other global financing deliberations**.