

## Opening Keynote Speech

H.E. General Anupong Paojinda, Minister of Interior

At the Asian Business Forum 2016: Risk Reduction and Resilience Building

On Wednesday, 20<sup>th</sup> April 2016 at 10.00 – 10.30 hrs.

Napalai Ballroom, Dusit Thani Bangkok

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Your Excellencies, Deputy Prime Minister, Ministers, High Level Government Officials, and distinguished delegates,

On behalf of the Royal Thai Government, it is indeed a great honor for Thailand to host the first Asian Business Forum on risk reduction and resilience building. I am greatly delighted to see business men, business women, entrepreneurs and key persons that drive the development of the private sector, particularly the SMEs in this region gathered here today.

The Prime Minister assigned me to give a keynote speech on Why the Private Sector is Essential to National and Regional Disaster Reduction and Resilience Building here today. The Royal Thai Government prioritizes the development of the private sector as part of the country's economic development.

It is well known and well documented that the Asia region is the world's most disaster prone. There are more natural disasters in our region than in all other regions combined. Every year in Asia, natural disasters kill thousands of people, affected millions of families, destroy livelihoods and reverse development gains.

Natural disasters are a major obstacle to economic growth and development. Every year countries in this region must reluctantly accept that their economic growth is curtailed because of the effect of natural disasters. This is why we must work together and prioritize efforts to reduce the risks posed by disasters to our people and our economies.

For the keynote today, I have 2 points to present to you. The first one is the important role of the private sector in not only economic development but also in disaster risk reduction to protect our development gains. The second point is on the current government policies which will enhance cooperation between the public and private sectors in building resilience.

**As for the first point** In Thailand, we learned some hard lessons during the disastrous floods of 2011. Even if we put aside the major impact in terms of deaths, injuries, housing damage and agricultural loss, we can say that the impact of these floods on the private sector in general and small and medium enterprises (or SMEs) in particular was catastrophic.

Although the country has been hit by floods in the past, this time the damages were much more severe, causing direct damage to the industrial sector, as many industrial estates in the central region were hit hard. Many factories were forced to halt operations for over a month. The office of Small and Medium Enterprise Promotion reported that a total of 575,000 small business enterprises were affected with more than 2.3 million employees losing their jobs. Considering that SMEs account for over 90% of employment and business ownership in Thailand, you can appreciate how devastating this disaster was for our economy. Unfortunately it was not only Thailand's economy that was affected. Since Thailand is a regional logistics hub and part of the global supply chain, businesses from around the world were affected by these floods.

From the lessons we have learned from the flood in 2011, we realized that we lacked experience in managing such a large scale disaster. We also realized that such devastation is closer to us than we could have imagined. We realized that the government alone cannot handle all the challenges from natural disasters and we need help from all sectors. Not only help in responding to disasters, but most importantly help in disaster risk reduction. The private sector is one of the key partners in helping Thailand be more resilient as we work hand in hand to build and protect our economic growth.

Preparedness is very important. We have learned that by understanding the risks and planning together, the public and private sectors can be a valuable partnership. We need to understand the risks and help mitigate them together. The Ministry of Interior, in cooperation with the office of Small and Medium Enterprises Promotion and ADPC, are working on a very significant project called "Strengthening Disaster Resilience of Small and Medium Enterprises in Asia". This project will be our tool to equip our private sector, especially SMEs, with knowledge on business continuity planning and support the development of business continuity plans so that our private sector can be more resilient.

Thailand is located in the heart of ASEAN economy, with tremendous business opportunities and potential in business development. We are very business-friendly country. However, the business opportunity and strategic location is not enough to contribute to the

prosperity of the country and this region. We need to improve disaster resilience so that we can take full advantage of our opportunities. We need to work together, not only within our own borders, but also throughout the region. We need to collaborate on building resilience for our region so that we can increase our competitiveness and move closer to our goal of prosperity and stability in our region.

The Asian Economy Forum today is an excellent platform for us, the public sector, the private sector, international organizations, and civil society, to exchange our views and share our experience in how to build resilience in our region. I do hope that you all will use this forum to your advantage.

**Finally** on the current government policies.

In the past year, Thailand has taken a leading role in many global initiatives on development, climate change adaptation, disaster risk reduction, and humanitarian assistance. Our Prime Minister attended many important events at the global level to address precisely these issues. Last year the world came together and agreed on the Sustainable Development Agenda 2015-2030. A number of important goals and milestones were laid out to ensure equitable and sustainable development for all. Disaster Risk Reduction was an important consideration when developing these goals.

The international community also set ambitious goals at the UN Climate Change Convention in Paris. Many of the hazards we face are being amplified from the effects of climate change, putting more people at risk to disasters.

We must also recognize the Sendai Framework for Disaster Risk Reduction. The framework focuses on preventing and reducing disaster risk through economic, social, cultural and environmental measures.

Then we must also acknowledge the World Humanitarian Summit Process. One of the core responsibilities of this initiative specifically looks at the link between disaster risk reduction, resilience, and humanitarian need.

It is important for us to note that the theme of private-public partnership and diversifying the list of actors was central to all these events and discussions. This is why we are all here today. To see how Governments can work with private sector to protect our hard earned development gains and ensures future prosperity.

In Thailand we are taking disaster risk reduction seriously. We are turning the words of the Sendai Framework into action. Last year the Royal Thai Government developed and formalized its new National Disaster Prevention and Mitigation Plan 2015 which incorporates the Sendai Framework on Disaster Risk Reduction as the main guiding principle. The plan also provides a comprehensive framework for the Royal Thai Government to work with its partners to reduce the risk of disasters and to better handle those that occur. A key component of this Plan is collaboration with the business community and private sector in disaster risk reduction.

The 12<sup>th</sup> national socio-economic development plan (2017-2021) focuses on building environmentally friendly socio-economic growth and should support capacity building for disaster preparedness and response at the local level. It will also encourage the private sector's role in working with local authorities for disaster prevention and mitigation.

The 'Pra-cha-rad' model of cooperation or a People-Public-Private Cooperation model was introduced to encourage multi-sector participation in various empowering policies of the Government for raising incomes levels and enhancing the well-being of low-income earning communities. The Royal Thai government had launched several "Pra-cha-rad" projects to strengthen grassroots economies and SMEs by helping communities link with the private sector as a way to enhance their competitiveness and productivity. "Pra-cha-rad" means the cooperation of people in Thailand, regardless of whether they are public or private sector, in building the prosperity of the nation together.

In response to disaster risk, my government promotes the idea of "stronger together" and realizes that business entities are essential partners to reduce economic and human losses caused every year by disasters. The private sector in Thailand plays a crucial role building safer communities and industries from telecommunications, logistics, transportation, engineering, construction, and insurance are all at the heart of sustainable development. We need to embrace a culture of safety and resilience in our country so that we can grow and prosper together.

Ladies and gentlemen,

The point I am making is that disasters are everybody's business. Whether you are in Thailand or elsewhere you must take the business of disaster risk reduction seriously. And whether you are a civil servant or an entrepreneur, it's in all our interest to make our communities, our fellow citizens, our businesses, and our economies resilient. It is simply good business.

Finally I would like to express my sincere thanks to Asian Disaster Preparedness Center (ADPC) for organizing this forum, and to all the guest speakers and panelists for coming to share your valuable experiences.

This is a very important forum, as mentioned by Professor Krasae Chanawongse, the Chairman of ADPC Foundation. The Asian Business Forum is our opportunity to work together to identify opportunities and challenges within the private sector in order to enhance disaster and climate resilience in our Region. I, therefore, declare the forum officially open and wish you all great success.

Thank you.

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