

The Potential of Private Sector Networks in Crisis Response: Lessons from UNDP's and OCHA's Connecting Business Initiative for COVID19

Sahba Sobhani, Director, Istanbul International Center for Private Sector in Development, Global Finance Sector Hub,
Bureau for Policy and Program Support United Nations Development Programme

Business Fights Poverty Webinar
March 26, 2020

Although businesses are traditionally excluded from humanitarian response, they are a critical partner when facing crises

Businesses complement the role of the public sector...

- **Governments are not always able to respond to increased need**; harnessing the reach and resources of the private sector amplifies response efforts by orders of magnitude
- Highly-functioning and robust **public-private relationships breed clear governance and accountability** which pays off in transparency and trust to support the efficiency and effectiveness of crisis response

...they are embedded in communities and attuned to their needs...

- Businesses act as **responders to their own communities**
- They are present during the full disaster cycle and their **interests are aligned with addressing humanitarian needs** in their community and recovery
- More than CSR, **companies are integrated in the communities within which they operate**; investing and supporting communities helps economic recovery and benefits all

...and embracing their role is essential for preparedness

- Businesses are not just integrated into humanitarian response, they must also integrate disaster preparedness into their modus operandi – **the better prepared companies are in an industry sector, the better the sector will be positioned to respond** in an emergency and the more valuable it will become as a partner to government and society in meeting the challenges of disasters and recovery
- When companies in key sectors (e.g., energy, communications, logistics, health, infrastructure, consumer goods) come back online quickly, the **total economic and social impact is smaller**

As crises become more complex, we require response mechanisms that can cope with the complexity

Even before COVID-19, the scale of the challenge was sobering

- 168m** people need humanitarian assistance – the highest figure in decades
- 26m** people are pushed into poverty by disasters every year – if unaddressed the Sustainable Development Goals will be a very elusive target
- 1.7b** people were affected by natural disasters over the last decade – with climate change, natural disasters occur more frequently and are more intense and destructive
- \$2.9t** direct losses from disasters to the global economy between 1998 and 2017, more than twice from the previous two decades
- 90%** of all firms are micro, small and medium enterprises (MSMEs) and they employ 60-70% of people – MSMEs are vulnerable and not well prepared for disasters

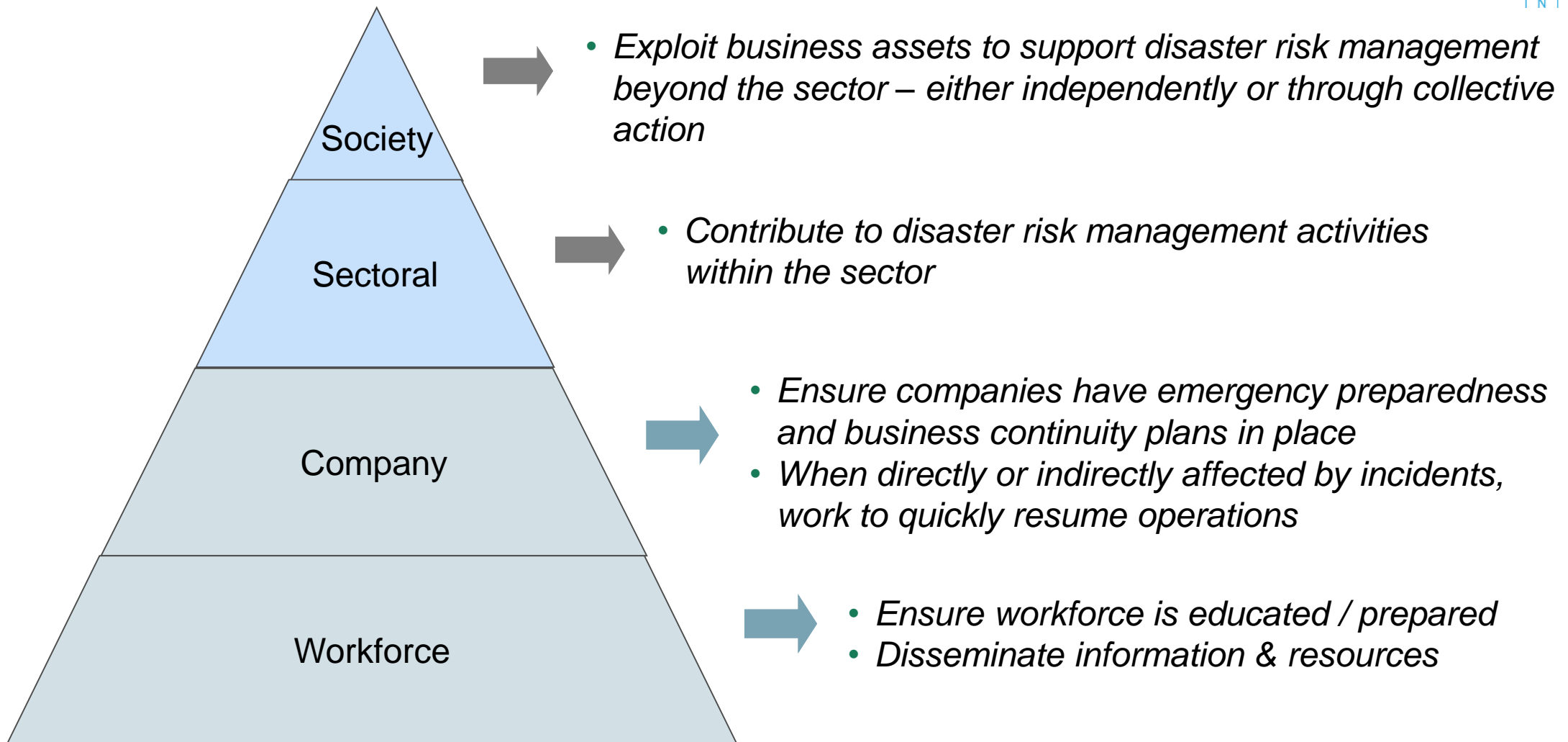
Despite its necessity, private sector engagement is not without its challenges

- **Common planning is not systematically done** between the private sector and humanitarian actors before disasters
- The private sector (especially micro-, small- and medium-sized companies) **do not know the risks and how they could collaborate with the public sector** to prepare, prevent, respond and recover faster from disasters
- The different actors **speak different “languages” and don’t always understand** the principles of operation of the other actors
- Relevant **actors do not know each other** and do not know how or what to contribute
- It takes time to build **trust between the partners**
- Support is often offered on an **ad hoc basis and on a short notice** when disasters strike and may not be the most strategic fit, wasting precious time and resources

Networks provide the reach and responsiveness to meet these challenges

- Networks can serve as a **central coordination point for the private sector**, connecting companies to national and international disaster management structures in order to facilitate efforts and initiatives before, during and after emergencies
- Private sector networks play a critical role in **organizing their members to address industry-specific issues**, enhancing the potential for collective action and coordination
- Networks offer businesses a stronger collective voice and seat at the table, **enhanced resilience** of their operations, the **potential to innovate across industries**, and **information to respond quickly, broadly and effectively**

Networks contribute to disaster management at multiple levels



Connecting Business initiative (CBI)

- Launched at the World Humanitarian Summit in May 2016 to address the challenges and transform the way the private sector engages before, during and after crises
- Improves disaster preparedness, response and recovery by integrating the private sector into national and international disaster management mechanisms
- Connects private sector networks across the world to learn from one another
- Reduces risks and duplication while increasing the resilience of companies and societies

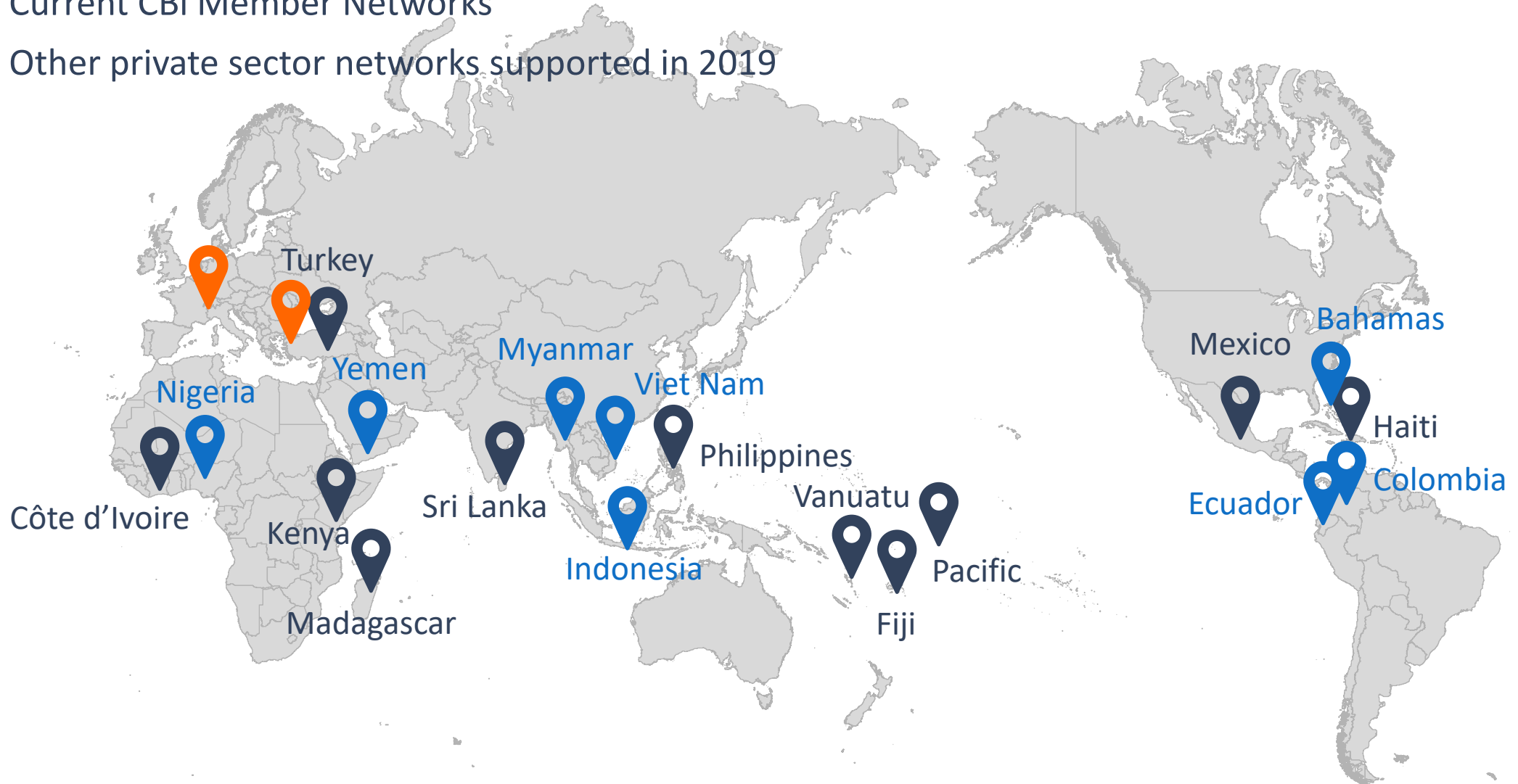
CBi has Global Partners...



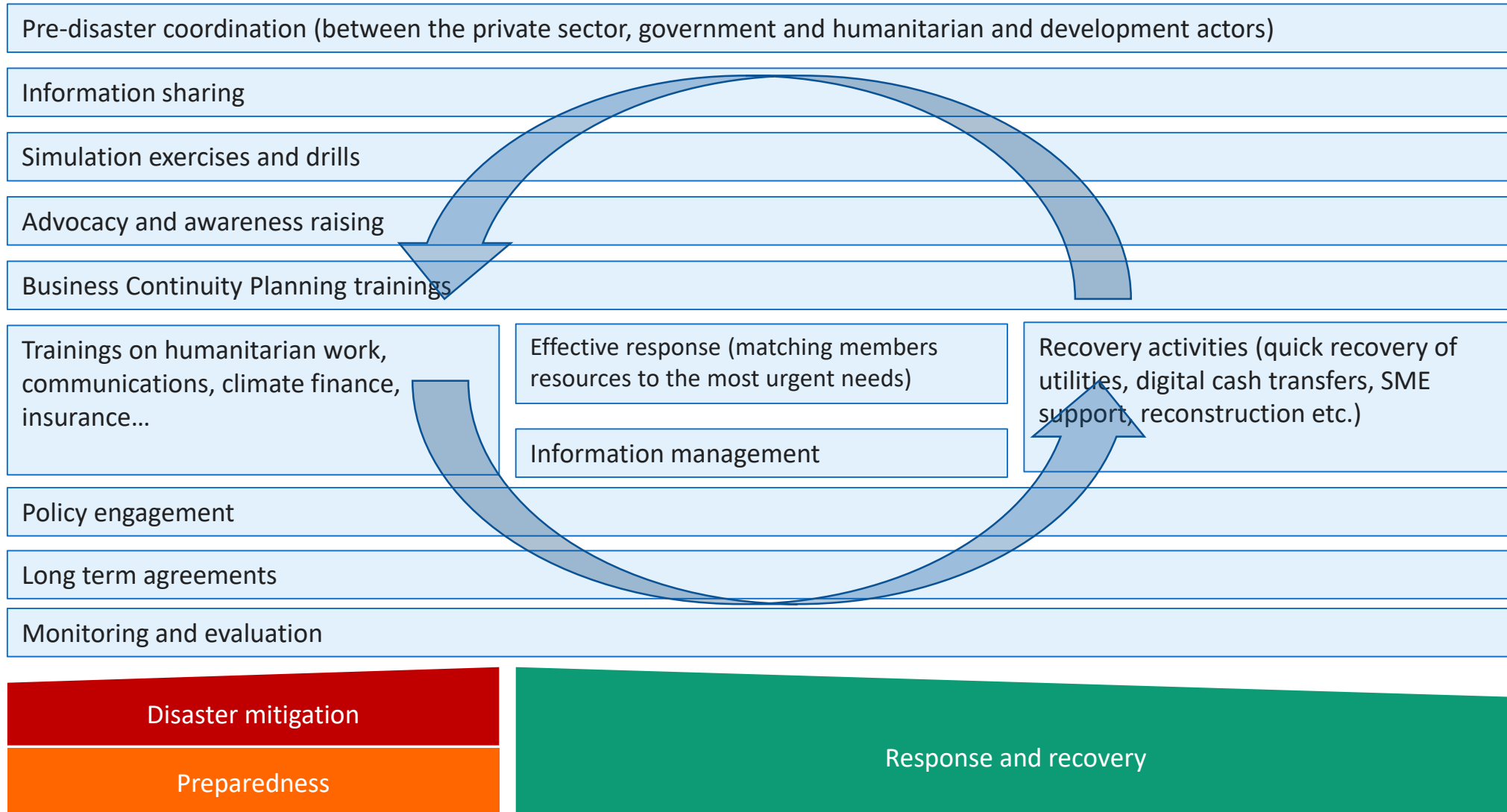
- At the country level, CBi collaborates with the private sector, governments, UN organisations and NGOs.
- CBi member networks reach over 45,000 companies including MSMEs.

...and global reach

- 📍 CBi Secretariat (OCHA Geneva and UNDP Istanbul)
- 📍 Current CBi Member Networks
- 📍 Other private sector networks supported in 2019



Example Activities of CBI Networks



Our experience shows there are some crucial factors to ensure the success of a network

Organization & Governance

The network should have a formal host organization and a transparent organizational structure

Membership

It should establish clear requirements, principles, and a process for adding new members, and include broad and representative membership from across key industries

Financial Sustainability

The network must have sufficient funding for operations and activities

External Coordination

It should reach out regularly to other key organizations and key government agencies to share events, information, and activities

Internal Coordination

It should have a clear and frequent channel of communication with members, regularly convene members around specific topics or industry themes, and collaborate with the government, UN, or NGOs

Monitoring & Evaluation

Networks should develop a clear set of metrics to track progress on partnership impact and member resilience

Connecting Business initiative Activity on COVID-19

Co-developed a **Business Guide** (www.connectingbusiness.org/BusinessGuide-COVID-19) with UN colleagues from OCHA, UNDP, WHO, UN Global Compact, IOM, UN Foundation, UN Women, WFP and FAO. This will be updated as needed and when key asks are identified (for example when the Humanitarian Response Plan is completed in the coming days).

Created an **emergency page** (<http://www.connectingbusiness.org/novel-coronavirus-2019>) to share information and updates (situation reports, guidance etc.) with the private sector, and encourage individual and corporate donations to the [COVID-19 Solidarity Response Fund](#)

Supported **private sector engagement in national disaster management** through CBI Member Networks by sharing resources and helping the networks to learn from one another through webinars, a website and a WhatsApp group. CBI Member Networks, for example, in Mexico, Philippines, Sri Lanka and Madagascar are all working alongside their governments and the United Nations system to exchange information and mobilize private sector resources. Follow updates at www.connectingbusiness.org/novel-coronavirus-2019

Matched **PPE requests** for COVID-19 with intermediaries working with private sector suppliers. CBI has been connecting requests for PPE with intermediaries like Aviation Without Borders, a non profit with 13 chapters providing aviation services/medical bridges and aggregators like Needlists (<https://needslist.co/>).

CBI is planning to provide more **technical assistance to private sector networks on COVID-19**. CBI is putting in place measures to provide more preparedness, response and recovery support to its Member Networks.

CBI networks are rising to the occasion in the present crisis and ensuring no one is left behind (1/2)



The image shows a Facebook post from the Philippine Disaster Resilience Foundation (pdrf). The post features a large headline in red text: "Business groups raise \$30 million to help 1.5 million families under 'Project Ugnayan' initiative". Below the headline, it says "Read the full article:" followed by a blue button containing the URL "https://bit.ly/3becU6D". The post text describes "Project Ugnayan" as a convergence of business groups aiming to raise funds for families economically displaced by the enhanced community quarantine in Metro Manila. It includes a link to the full article, two hashtags (#COVID19 and #COVID19ResponsePH), and engagement metrics (1.4K likes, 46 comments, 921 shares). The bottom of the post shows social media sharing icons for Facebook, Instagram, and Twitter, all with the handle @thepdrf.

pdrf PHILIPPINE DISASTER RESILIENCE FOUNDATION

Business groups raise \$30 million to help 1.5 million families under "Project Ugnayan" initiative

Read the full article:

<https://bit.ly/3becU6D>

pdrf Philippine Disaster Resilience Foundation
· March 22 ·

Project Ugnayan is a convergence of business groups that aims to raise funds in support of families that have been economically displaced by the ongoing enhanced community quarantine in Metro Manila.

Read the full article: <https://bit.ly/3becU6D>

#COVID19
#COVID19ResponsePH

1.4K
46 Comments
921 Shares

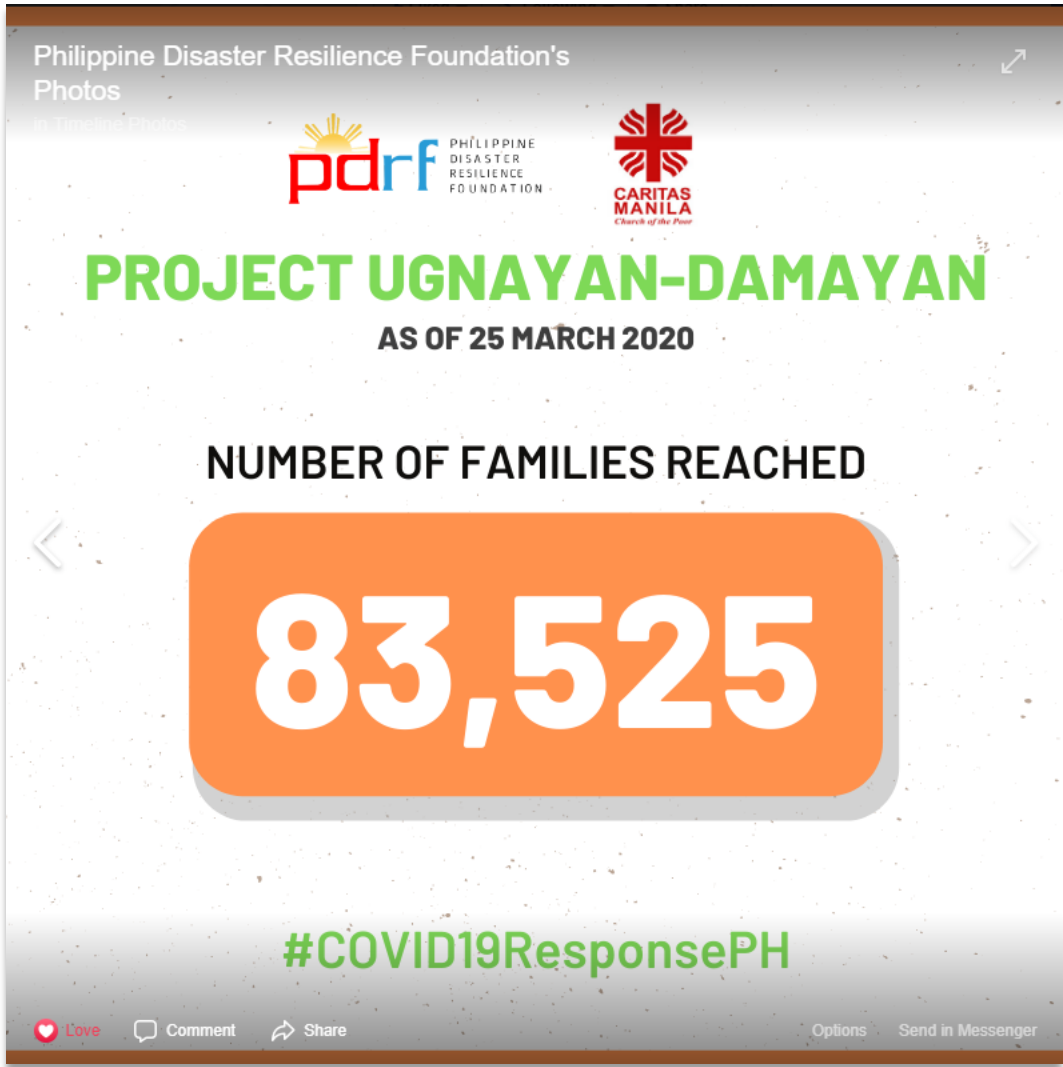
Like Comment Share

@thepdrf @thepdrf @thepdrf

GOAL

Philippine private sector provides food for the urban poor during COVID-19 pandemic.
\$30 million have been raised for 1.5 million families.

CBI networks are rising to the occasion in the present crisis and ensuring no one is left behind (2/2)



*As of 26 March 2020

PROJECT UGNAYAN

PHP 1000 GIFT CERTIFICATES
ONE MILLION HOUSEHOLDS

DONORS AS OF MARCH 22, 2020

aboitiz Equity Ventures, AIS-CEN, LOPEZ, ALLIANCE GLOBAL, MEGAWORLD, AY FOUNDATION, INC., RCBC, Ayala, BENCH, S.U.Y.E.N., CONCEPCION, DMCI HOLDINGS, J. SUMMIT HOLDINGS, INC., ROBINSONS, Jollibee, LeonorLand, Metrobank, ST CAPITAL, NutriAsia, Oishi, LIWAYWAY MARKETING CORP., PLDT, METRO PACIFIC, PUREGOLD, RAMON S. ANG and FAMILY, SM INVESTMENTS CORPORATION, BDO, Sun Life, UNILAB

NEW DONORS AS OF MARCH 25, 2020

CEBUANA, ONE MERALCO, PEPSICO, PEPSICO FOUNDATION, MAP, TAO CORPORATION, HEALTHSOLUTIONS, NEW MARKETLINE, in cooperation with pdrf, CARITAS MANILA