UNDRR
UN Office for Disaster Risk Reduction

INTERNATIONAL DAY FOR DISASTER RISK REDUCTION

Concept Note: International Day for Disaster Risk Reduction (IDDRR) 2025

"Fund Resilience, Not Disasters"

Context

Disaster Costs Are Up:

Countries are facing more record-breaking disasters. This is driven by an increase in extreme weather events and by development decisions that are not risk-informed, which increases the exposure and vulnerability of people and economic assets to a range of hazards.

Disasters are becoming significantly more expensive. While direct disaster costs have grown to approximately $202 billion annually, the Global Assessment Report on Disaster Risk Reduction 2025 estimates that the true cost, is 11 times higher at nearly $2.3 trillion. Developing countries bear the brunt of these impacts due to their smaller economies, even though developed countries suffer the most expensive disasters in absolute value.

Funding For DRR Is Low

At the same time, investments in disaster risk reduction (DRR) have not kept pace with increasing disaster risks. This was one of the key findings from the Midterm Review of the Sendai Framework for Disaster Risk Reduction, and a reason why many countries have been unable to reduce disaster impacts.

In governments, often less than 1% of public budgets is allocated to DRR, which in most countries is only enough to meet 10 to 25% of the risk reduction needs. Moreover, international funding for DRR from developed countries has also been limited and, in some cases, decreasing, despite this funding being critical to protecting development progress and reducing humanitarian needs.

According to UNDRR analysis, between 2019 and 2023, only 2% of Official Development Assistance projects listed DRR as an objective. Within the humanitarian sector, the amount of funding for disaster prevention and preparedness has gone down over the years – from an already low level of 3.6% between 2015 and 2018, to 3.3% between 2019 and 2023.

Investments Remain Risk-Blind

Adding to the problem, most economic and investment plans remain blind to disaster risks. This is especially common in the private sector, which is responsible for about 75% of investments through the creation of economic assets.

When these investment decisions, be they public or private, fail to account for climate and disaster risks, they not only put the investments at risk of loss from disasters, but could also lead to the creation of new disaster risks. We see this, for instance, through the expansion of urban development into hazard-prone areas or the construction of infrastructure that is not disaster-resilient.

Closing this blind gap in the public sector requires aligning national economic plans with disaster risk reduction strategies and climate change adaptation plans so that development is risk-informed and resilient. For the private sector, the use of regulations, risk information, and the offering of financial incentives can encourage businesses to make risk-informed decisions.

Theme for 2025

The theme for the 2025 International Day for Disaster Risk Reduction (IDDRR), which is commemorated on 13 October, is "**Fund Resilience, Not Disasters**". This theme highlights the urgent need to address the escalating costs of disasters by shifting focus from reactive response to proactive investments in disaster risk reduction.

Specifically, building on the outcomes of the Oslo Policy Forum, the 2025 IDDRR will emphasize two key calls to action:

1. Increase funding for disaster risk reduction, within public budgets and international assistance.
2. Ensure all public development and private sector investments are risk-informed and resilient.

Responding to these two calls can transform the disaster risk landscape by accelerating the implementation of the Sendai Framework over the next 5 years and reducing the human and economic cost of disasters.

This theme aligns with major global initiatives in 2025, including:

- The Global Platform for Disaster Risk Reduction, which underscored the importance of financing for resilience.
- The outcomes of the 4th International Conference on Financing for Development, which called for greater investment in disaster risk reduction.
- The G20 Disaster Risk Reduction Working Group, which under South Africa's Presidency is prioritising DRR financing. Key initiatives include the development of G20 Voluntary High-Level Principles for Investing in DRR and a Ministerial on 13 October.
- The focus on scaling up finance to address growing climate impacts at the 30th Conference of the Parties of the UNFCCC (COP 30) in Brazil in November.

Examples of Action

To illustrate the transformative potential of these calls to action, here are concrete examples:

1. **Increasing Domestic DRR Funding**
   India is currently dedicating around USD 28 billion to DRR financing and this amount is expected to rise to USD 42 billion under the 16th Finance Commission, which commences in 2026. This represents a 50% increase from the current budget.

   Philippines increased the 2025 budget of its National Disaster Risk Reduction and Management Fund to USD 368 million, which is a USD 9 million, or a 2.5%, increase from 2024.

2. **Scaling Up International DRR Assistance**
   Australia has long been a supporter of building climate and disaster resilience, especially in the Pacific. In 2025-26, Australia will increase its Official Development Assistance (ODA) budget by around 2.75% from the 2024-25 levels to deliver AU$5.097 billion in assistance.

3. **Ensuring Risk-Informed Development**
   Guatemala's Vice President Karin Herrera recently proposed including the National Coordinator for Disaster Reduction (CONRED) in Guatemala's main economic and social decision-making bodies, noting that risk reduction must be a whole-of-government responsibility.

   Bhutan, with the support of UNDRR and the Coalition for Disaster Resilient Infrastructure, developed a National Plan for Infrastructure Resilience, and aligned it with its 13th Five-Year Plan, 2024-2029, which aims to transition Bhutan to a high-income country within the next decade.

   Rwanda's Vision 2050 aims to transform the country into a high-income country by 2050 with a green and climate-resilient economy. To achieve this vision, it updated in 2022 its Green Growth and Climate Resilience Strategy, which, among its goals, is "Disaster Risk Reduction that reduces vulnerability to climate change impacts."

4. **Promoting Resilient Private Sector Investments**
   Chile has mandatory seismic-resistant building codes that apply to all structures and are enforced through combination of stringent regulations, independent oversight, and legal frameworks to combat corruption. Chilean law also holds builders liable for construction deficiencies, giving them ample incentive to make sure their structures are quake-resistant. This has saved countless lives and reduced earthquake economic losses.

Octopus Investments, a member of UNDRR's Investors Advisory Board, is applying the Principles for Resilient Infrastructure to guide investment decisions of a fund focused on the renewable energy industry.

Audience and Expectations

The concept note targets four key stakeholder groups, each with specific roles in advancing DRR:

- **National Governments**: Policymakers and budget planners are expected to prioritize DRR funding in national budgets and ensure development plans are risk-informed.
- **Private Sector Leaders:** Businesses, investors, and financial institutions are called to incorporate risk considerations into their investment decisions and support DRR financing through public-private partnerships.
- **International Donors and Humanitarian Agencies:** Development and humanitarian actors are encouraged to scale up funding for DRR, particularly in vulnerable countries including Least Developed Countries, Small Island Developing States and conflict-affected nations.
- **Civil Society and Academia:** Advocates, researchers, and practitioners are expected to drive innovation, provide evidence for risk-informed investments, and hold stakeholders accountable for implementing DRR strategies.

Social Media Campaign

Partners are encouraged to promote the theme through their social media platforms using the following hashtags: #FundResilience #ResiliencePays #DRRDay

Social media assets will be available on the IDDRR website: https://iddrr.undrr.org/social-toolkit

Key Messages

Why invest in resilience

- Disasters are a growing threat to economic prosperity and sustainable development, with costs underestimated and unsustainable.
- Disaster costs are pushing countries into spirals of increased debt, lower incomes, increased insurability, and repeated humanitarian crises.
- Declining international assistance makes it even more critical to reduce disaster losses through disaster risk reduction investments.

- Cutting funding for disaster risk reduction leads to more expensive disasters in the future, along with more humanitarian needs.
- To reduce disaster costs, countries must increase funding for disaster risk reduction and ensure all development investments are risk-informed.

Benefits of resilience

- Resilience pays dividends, but only when countries invest in it.
    - Every $1 invested in making infrastructure disaster-resilient in developing countries saves $4 in economic impacts (*World Bank*).
    - By investing in strengthening early warning systems, the Global Commission on Adaptation found that early warnings, issued within 24 hours of an impending hazard, can reduce the damage by around 30%.
    - Investments in anticipatory action and enhancing social safety nets can help communities bounce back swiftly after disasters.
- Investing in resilience has benefits across the Humanitarian-Development nexus – it reduces disaster losses, protects development, and reduces humanitarian needs.

How to fund resilience

- **Increase funding** for disaster risk reduction and climate change adaptation in national budgets and international assistance (development and humanitarian).
    - Domestic funding for disaster risk reduction should be "ring-fenced" in national budgets and mainstreamed into sectoral budgets. Tools such as budget tagging and the development of national DRR financing strategies can help.
    - Countries with high vulnerability to disasters, such as the Least Developed Countries, Small Island Developing States, countries in Africa, and countries that are fragile and conflict-affected, deserve increased international assistance.
- **Ensure development is risk-informed**.
    - Development plans should be aligned with disaster risk reduction priorities. Otherwise, development investments that are risk-blind could lead to the creation of new disaster risks or exacerbate existing ones, thus increasing the odds of a disaster.
- **Encourage the private sector to be resilient**.
    - Businesses should be incentivised to ensure their investments are risk-informed, as they are responsible for the majority of development in countries.
    - The financial sector can develop instruments for financing resilience, such as bonds and insurance, and support government efforts through public-private partnerships and blended finance.