

Global challenges and innovative features of the risk governance framework


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Part I: Characterisation of Risk – Challenges and Trends

Global Trends I

- Increase of population density and urbanization
- Increase in uncertainty due to interconnectiveness and fast global changes
- Strong links between physical, social and economic risks
- Increase of vulnerability with respect to technological, social and natural risks
- Increase of catastrophic potential and decrease of individual risk



Systemic Risk Management Through Analytic Deliberation 

Part I: Characterisation of Risk – Challenges and Trends

Global Trends II


- Increased uncertainty about natural hazard patterns and frequencies due to global change
- Exponential increase in payments by insurance companies for compensating victims of natural catastrophes
- Emergence of “new” social risks (terrorism, disenchantment, mobbing, stress, isolation, depression)
- Increased importance of symbolic connotations of risks
- High potential for social amplification and attenuation




Systemic Risk Management Through Analytic Deliberation 

Modern Systemic Risks (OECD)

- *Characteristics*
 - Complex causal relationships
 - High degree of uncertainty (non-knowledge)
 - Benefits are often contested
 - Open system boundaries
- *Problems*
 - Possibility of systems breakdown (collapsing)
 - Amplification beyond physical impacts
 - High social mobilization



Systemic Risk Management Through Analytic Deliberation 

From Risk Analysis to Risk Governance



Need for integration

- Concept that links risk assessment with risk perception and social processing of risk
 - Avoiding relativist view of knowledge
 - Including social constructions of risks;
- Concept that links physical risk analysis with financial, economic and social risk;
 - Explore social amplification pathways
 - Look for cross-fertilization
- Concept that links risk theory with organizational capacity building and management competency
 - Systematic use of management sciences and decision aiding
 - Emphasis on risk communication between and among agencies and professionals



What is Risk Governance?

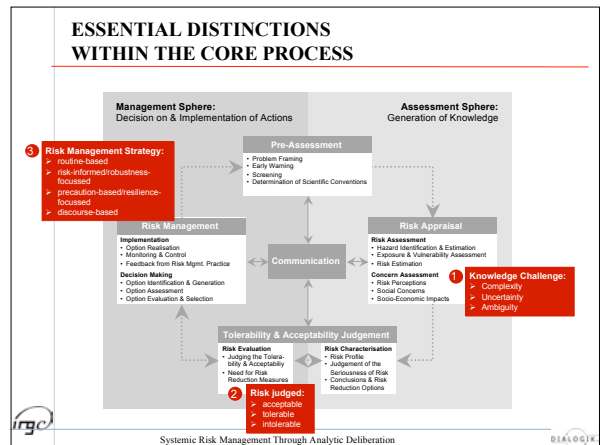
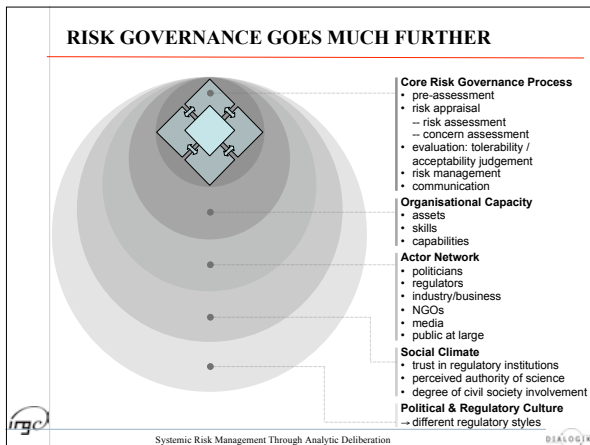
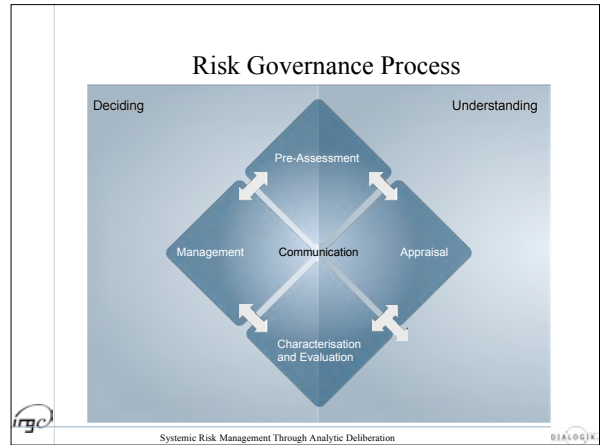
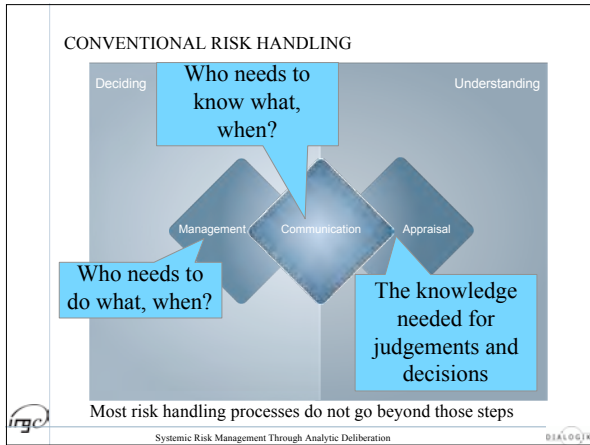
- **Governance** refers to the actions, processes, laws, traditions and institutions by which authority is exercised and decisions are taken and implemented.
- **Risk** is an uncertain (positive or negative) consequence of an event or an activity with respect to something that humans value
- **Risk governance** refers to the actions, processes, laws, traditions and institutions by which decisions about risk handling are prepared, taken and implemented
- **Best practice in risk governance** integrates the principles of good governance within the processes of risk identification, assessment, management and communication and includes criteria such as effectiveness, accountability, efficiency, fairness and social and ethical acceptability



Premises of Risk Governance

1. Both “real” and perceived dimensions of risk are important.
2. All stakeholders should be meaningfully involved as equals.
3. Be process-focused and principled
 - transparent, equitable, effective, efficient and accountable
4. Expert knowledge and lay perceptions need to be reconciled
5. Everyone wants decisions to be informed with best available science

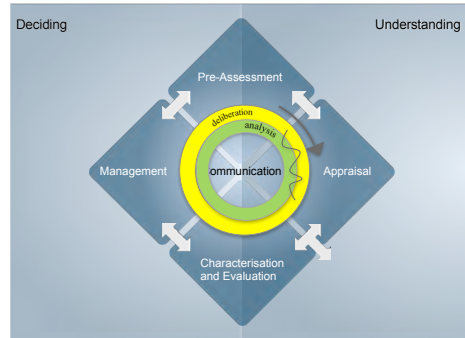




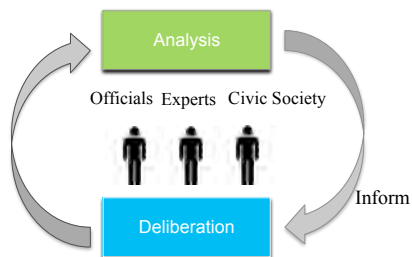
Implications for Stakeholder and Public Involvement



Risk Governance Process



Frame



Stakeholder Involvement at Different Stages

PREASSSSMENT

Shaping the process (consensus on frames)

Design Discourse

APPRAISAL

Gathering information and knowledge

Epistemic Discourse

EVALUATION

Deliberating around values/perspectives and assigning trade-offs

Reflective Discourse

MANAGEMENT

Weighing pros and cons of management measures

Pragmatic Discourse (for low ambiguity)

Participative Discourse (for high ambiguity)





THANK YOU!

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