

# Improving decision-making for resilience investment

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Investing in disaster and climate resilience is crucial to avoid losses, withstand disaster impacts and harness the benefits that can positively influence communities and businesses.

The Resilient Futures Investment Roundtable (previously the Resilience Valuation Initiative) is a cross-sector collaboration between public, private, not-for-profit and research organisations seeking to improve the way resilience investment decisions are made. The Roundtable aims to enhance decision-making processes for resilience investment by building capability across sectors to use tools and methodologies that take a systemic approach to quantify the wide-ranging economic, social, environmental and governance benefits of resilience-building interventions.

A traditional cost-benefit analysis approach tends to focus on avoided costs and losses, failing to capture the broader and long-term co-benefits of resilience. These co-benefits include reducing supply chain disruptions during and after disasters, safeguarding biodiversity and strengthening community. By considering a broad range of benefits beyond financial aspects, decision-makers can make informed and sustainable choices that recognise the interdependencies and interconnectedness of various systems and sectors. This approach enables decisions that address complex challenges, foster synergistic efforts and avoid duplication. It also allows for the integration of diverse perspectives and values, creating space for the interest and needs of stakeholders with varying backgrounds.

The Roundtable serves as a collaborative platform that brings together stakeholders to build capability and test and strengthen systemic approaches to value the costs and benefits of resilience. It is also developing resources and guidance to help organisations improve the way that decisions are made about when, where and how to invest in resilience.

Roundtable members have established a shared understanding of what a robust resilience valuation approach entails. A robust approach adopts a broad, systemic and whole-of-life perspective

considering interdependencies and externalities, while being functional and reliable. An analysis of available tools and methodologies highlighted a scarcity of approaches aligning with the Roundtable's definition of a systemic approach. This process revealed that organisations face challenges navigating the extensive range of tools and methodologies available for resilience valuation and can often lack the necessary expertise and resources to effectively use tools to integrate resilience valuation into decision-making processes. This underscored the need to enhance capability across all sectors and to identify and use tools for resilience valuation that enable a systemic approach.

To meet this need, the Roundtable provides a forum for cross-sector capacity building, knowledge sharing and identifying opportunities for collaborative partnerships on complex challenges. Members are also working to develop guidance materials, practice cases, supporting resources and learning opportunities. These resources are being designed to enable organisations to understand valuing resilience and access examples of organisations that are using tools to improve decisions.

The Roundtable has partnered with the Australian Institute for Disaster Resilience to share 4 short case studies that show how the value of resilience is being incorporated into investment decision-making. Through these real-world examples, organisations from different sectors showcase their approaches to improve their understanding of climate and disaster risk and the value that can flow from projects to manage risk and build resilience.

Read more about it at [www.knowledge.aidr.org.au/resources/resilient-futures-roundtable](http://www.knowledge.aidr.org.au/resources/resilient-futures-roundtable).