New Directions in Industrial Base Infrastructure Protection — Voluntary Private Sector Preparedness Standards

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The Voluntary Private Sector Preparedness Program

Improving Private Sector Preparedness in:
• Disaster Management
• Emergency Management
• Business Continuity

Goal: Enhance nationwide resilience in an all hazards environment
Major Disasters’ Costs Are Increasing

Causes and Costs of U.S. Catastrophic Losses
1987 to 2006 (2006 $ billions)

Munich Re, the world’s largest re-insurance agency, reports that in 2004, disaster-related loss in the U.S. was up $145 billion – from $65 billion in 2003.

Source: Insurance Information Institute
http://www.iii.org/media/facts/statsbyissue/catastrophes/
Voluntary Private Sector Preparedness Program

The Concern

The 9/11 Commission report found that:

- The private sector remains largely unprepared for a terrorist attack
- Lack of a widely embraced private sector preparedness standard was a principal contributing factor to this lack of preparedness

Recommended adoption of a national standard for disaster management, emergency management, and business continuity programs
Voluntary Private Sector Preparedness Program (Cont.)

Mandated Action
The 9/11 Act directs DHS to establish a “Voluntary Private Sector Preparedness Accreditation and Certification Program”

DHS Key Requirements
- Establish accreditation and certification program
- Obtain stakeholder / public comment
- Select preparedness standards for use
Key Program Requirements

- Voluntary participation
- Provide method to independently certify preparedness of private sector entities
- Administered by nongovernmental entity
- DHS designate one or more standards based on published target criteria
- Integrate and leverage existing regulatory requirements and programs, if feasible
- DHS maintain a listing of certified public entities and make public a list of consenting participants
- Special consideration for small business
Program Timeline

- **Incorporate stakeholder / public input**
  - 2008 and ongoing

- **Develop target criteria**
  - Fall 2008

- **Develop accreditation and certification program (ANAB)**
  - Summer 2008—Spring 2009

- **Select initial standards**
  - Fall 2008

- **Perform initial accreditation of certifying bodies**
  - TBD: Expected by early 2009

- **Begin voluntary certifications**
  - TBD: 2009

Criteria and standards will evolve over time – 3 to 5 years required to update standards
Outcomes

• Enhanced national all-hazards resilience
• Improved private sector preparedness
  – Disaster management
  – Emergency management
  – Business continuity

Private sector acceptance and active participation