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

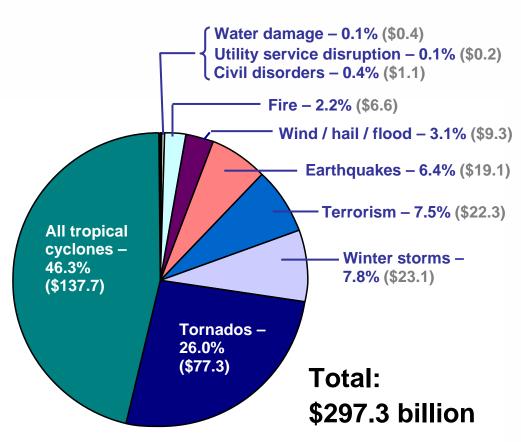


Major Disasters' Costs Are Increasing

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





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



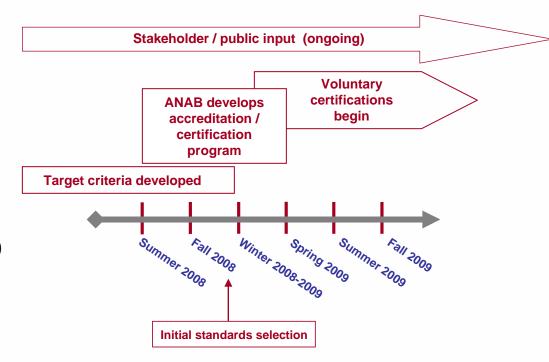
Key Program Requirements

- 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





Homeland Security