

News Release

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Development Bank of Japan Inc.
Japan Economic Research Institute, Inc.

Toward the Establishment of the ISO International Standard on Risk Finance for a Resilient Society

—Formulation of the Risk Finance ISO Standard for Disaster Risk Reduction (DRR),
Climate Adaptation, Economic Security, Supply Chains, Social Infrastructure, and Smart Cities—

Development Bank of Japan Inc. (hereinafter “DBJ”) and Japan Economic Research Institute Inc. (hereinafter “JERI”) are, in collaboration with the Government of Japan, leading the project to develop and publish the international standard “ISO 37116 Risk Finance,”* with the aim of realizing a resilient society. The target date for publication is around March 2026.

* ISO 37116: Sustainable cities and communities — Disaster risk finance — Principles and general requirements for financing ex-ante investment in risk reduction.

Due to climate change and other factors, disasters induced by natural hazards are increasing in frequency and intensity across the globe, with the amount of damage increasing every year. Moreover, in response to unstable international politics and the transformation of the international economic order, it is becoming increasingly necessary to secure economic security and strategic autonomy in domains such as economic security and global supply chains. Furthermore, innovations resulting from the development of advanced technologies are expected to be socially implemented as functional elements of next-generation social infrastructure and smart cities, and to further enhance the lives of present and future generations.

In recent years, alongside sustainability, the concept of “resilience” has also garnered attention. In particular, from the perspectives of finance, insurance, and fiscal matters, it has been pointed out that, in addition to post-disaster loss compensation (loss and damage control), there is a need for “Pre-Disaster Investment” (Risk Reduction) that contributes to reducing disaster risks.

The DBJ Group, leveraging its extensive experience in disaster and crisis response finance, is working toward shaping the international rules for risk finance. Based on numerous achievements in Disaster risk reduction Rating (initiated in 2006) and current BCM-Rated loan programs, DBJ established and organized a domestic committee for developing risk finance international rules in 2021 in cooperation with the Government of Japan, related organizations, and experts. Since 2022, we have been advancing international negotiations within ISO. In the “New International Standardization Strategy” announced by the Government of Japan in May 2025, DRR (Pre-Disaster Investment) was designated as a strategic sector.

Going forward, we plan to issue policy proposals and publish industry research reports on the theme of “industrialization of DRR and international rule-making toward realizing a resilient society,” as well as to launch a risk finance implementation platform in society.

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