



# Proposed Revision of Recommendation P

11 June 2020

1



## Coverage of Presentation

**Origins of Recommendation P in 2011**

**Principal Features**

**Covid-19**

**Early Lessons**

**Changes Envisaged**

**Feedback from Market Surveillance welcome -**

**and could still be incorporated**

Next steps.

2



3

## Origins of Recommendation P

About 10 years ago there was debate in international Risk Management circles about two issues:

- How to handle some very low probability but very high impact risks:
  - Tsunamis and H1N1 Influenza had been a recent prompt
  - Unexpected events dubbed "Black Swans"
- Concerns that, under pressure some regulators over-react to incidents with measures that were disproportionate:
  - UK expensive rushed rail signalling upgrades
  - The Netherlands near-miss on tree inspections
  - EU Regulation on elevator safety tests

4

## Principal conclusions of GRM



- Crises are a valid topic for the regulatory community to consider
- A measured approach on an internationally understood basis would be helpful, following ISO 31000 principles
- There is a balance to be found:
  - some risks cannot be forecast and, even if they could, not totally mitigated;
  - tools would be useful to manage emerging crises;
  - “crisis preparedness and management” is an integral function of risk

The result was Recommendation P on “Crisis Management within a Regulatory Framework” adopted by WP6 in 2011

5

## Key features of Recommendation P



Crisis management functions are needed covering:

- Preparation for a crisis – especially Contingency Plans and a Unit
- Stabilisation, focussed on affected individuals
- Communication
- Continuing Critical Functions
- Recovery
- Gathering Data and Follow Up
- International Cooperation and Best Practice

6

## Early Features of COVID-19



- Pandemics are always potentially challenging; and modern travel risks their spread out-pacing contingency plans
- Standards can help administrations structure difficult decision-making to evaluate potential losses against potential costs
- Risk assessment is difficult as data is hard to gather and often lags the need for decision on responses, especially about risk treatment at large scale
- Nonetheless avoidance, reduction/mitigation, transfer/sharing and acceptance remain the options.
- Communications, tracking and market/supply-chain changes important

7

## Updating Recommendation P



- GRM has embarked on updating Recommendation P
- Some topics already tentatively identified:
  - Huge costs to individuals and national prosperity reinforce need
  - Benefits of measures still need to be weighed against cost: standards
  - Need for recovery planning as well as crisis management
  - Communications ever greater challenge for crisis managers
- Welcome views of Market Surveillance colleagues: time to absorb
- About to launch a survey: handover to my GRM colleague, Mr Alpaslan Menevse

8