

VI Meeting on Public-Private Partnership for Disaster Risk Reduction in LAC, 7-8 December 2017



The necessity of a Business Continuity Strategy in the event of disaster

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Overview

Business Continuity Objective

The Tourism Industry

Private Sector Overview

Recovery Planning and Business Continuity

Business Continuity Outreach

Experiences

Developing BCP for Tourism Sector

CAIC Business Continuity Objective

The role of the CAIC is to foster cooperative relationships between Caribbean business interests and governmental bodies on matters related to Policy Advocacy and implementation that would create the most favourable environment for the Caribbean Private Sector to invest, expand, and generate additional employment.

Going forward for the Caribbean Private Sector – June 2012, Peru

- How to maintain disaster prevention and mitigation programmes and culture
- How to highlight and treat with issues of technological disasters
- How to educate the private sector about the need to invest their limited resources and energy into prevention rather than response and make the linkages with business that can arise from it
- How to delineate the labels created around disaster risk management

UNISDR Business Case for DRR

Suva, Fiji January 2015

“Economic losses from disasters are out of control and can only be reduced in partnership with the private sector, which is responsible for 70-85% of all investment worldwide in new buildings, industry and small to medium- sized enterprises. The principles of DRR must be taught at business schools and become part of the investor’s mind-set”

UN Secretary- General Ban Ki-moon

The Tourism Industry

Definition

“the processes, activities, and outcomes arising from the relationships and the interactions among tourists, tourism suppliers, host governments, host communities, and surrounding environments that are involved in the attracting and hosting of visitors.”

- Macintosh & Goeldner (2009)

Composition

- Accommodation
- Adventure Tourism and Recreation
- Attractions
- Events and Conferences
- Food and Beverage
- Tourism Services
- Transportation
- Travel Trade

Private Sector Overview

Issues for the Caribbean Private Sector

- Level of disconnect/mistrust between the Private Sector and Caribbean governments.
- Susceptible to natural (and man-made) disasters: (June-November Hurricane season and effects of Caribbean Sea degradation)
- Unavailability of knowledge and resources in disaster risk reduction, resilience and management within and by the private sector.

Private Sector Overview

Current Business – focus on increasing profit margins.

Budgetary constraints – research and development is a minor portion of budget and in many instances falls under miscellaneous.

Reactive approach – preparation occurs before a disaster strikes. Cleanup in the aftermath.

Environment Lobbyists – campaign for preventative measures.

WIIFM – What's In It For Me?

Recovery Planning & Business Continuity

Recovery Planning

“decisions and actions taken after a disaster with a view to restoring or improving the pre-disaster living conditions of the stricken community, while encouraging and facilitating necessary adjustments to reduce disaster risk.”

- International Strategy for Disaster Reduction (ISDR), 2004

Business Continuity

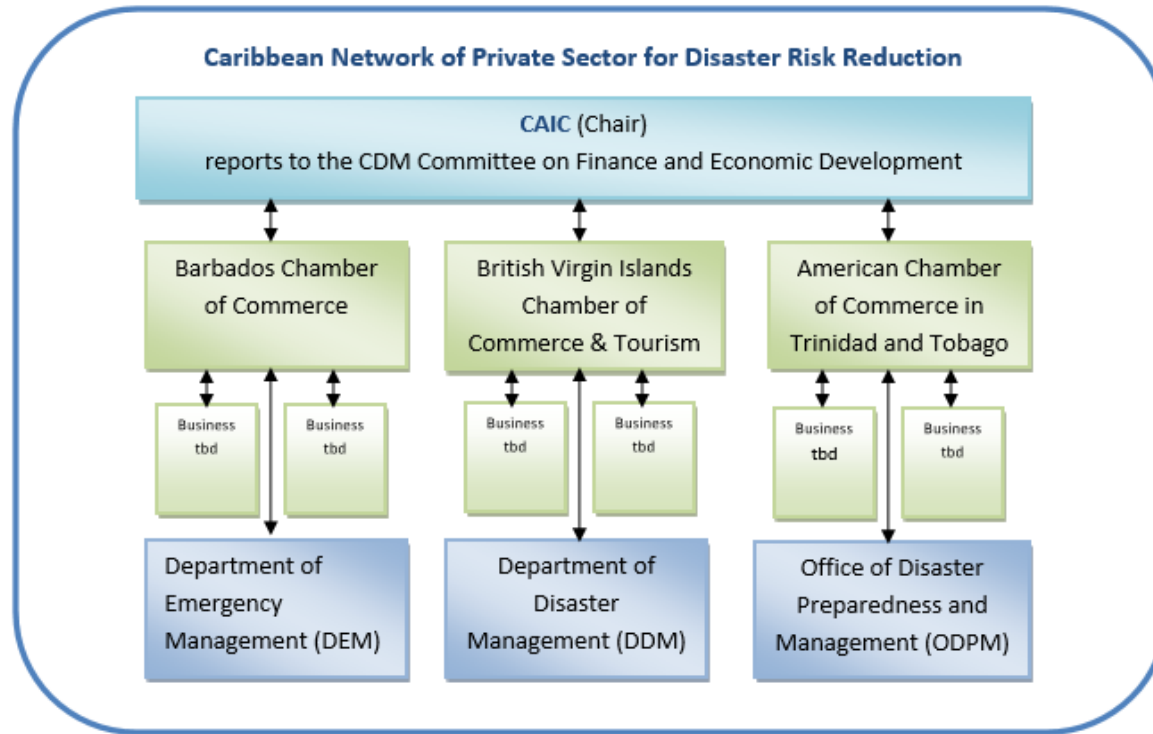
“is a proactive planning process that ensures critical services or products are delivered during a disruption”

- Public Safety Canada

Business Continuity Outreach

- ILO – Under EU-funded project Caribbean Employers' Confederation organised training activities to develop and strengthen business continuity plans. Working with Employers Organisations across the region.
- UNISDR – Creation of a Regional Private Sector Network on Disaster Risk Reduction and the National ARISE
- SELA: Training Workshop for MSMEs on continuity of business and operations vis-à-vis natural disasters
- Building resilience into trade regime frameworks; EPA CC, EU-CELAC and ACP post-Cotonou NSA Network

UNISDR Facilitated Private Sector Network



BUSINESS CONTINUITY AND PREVENTION PLANS FOR THE TOURISM SECTOR

VI Meeting On Public-Private Partnerships For Disaster Risk Reduction In Latin America And The Caribbean

Santo Domingo , Dominican Republic. December 07 and 08, 2017.

Max)			
Level of investment in the recovery strategy ahead of the disruptive incident	Option of duplication or replication of the primary operation while maintaining operational primary and alternate operations at the same time		"Temperature" of the strategic option
	Option to keep an unused alternate operation waiting to be used in case a disruptive incident occurs		
	Option of maintaining an alternate operation ready to operate which will be moved to the scene of the incident to replace the affected infrastructure		
	Option of maintaining a mechanism of immediate delivery with a provider that will replace the affected infrastructure		
	Option of maintaining a reciprocal agreement with another related organization		
	Option of having an alternate operation ready to be mounted in the event of the incident		
	Option of repairing the damage more quickly		
	Not to do anything now		
(Min)	Recovery Time Objective in case of a disruptive incident	(Max)	

Methodological Approach to Business Continuity

- 1) Empowerment and Governance of continuity of business and operations by the Top Management;
- 2) Identification of priority and urgent activities to be recovered in case a major event occurs that disrupts operations;
- 3) Protection of the most urgent activities in order to mitigate the chances that a major event may paralyze operations of the MSME;

Methodological Approach to Business Continuity

- 4) Establishing strategies for continuity and recovery of the most critical activities;
- 5) Documenting the plans for continuity to be applied at the moment of the event;
- 6) Train for and test the continuity plans;

Methodological Approach to Business Continuity

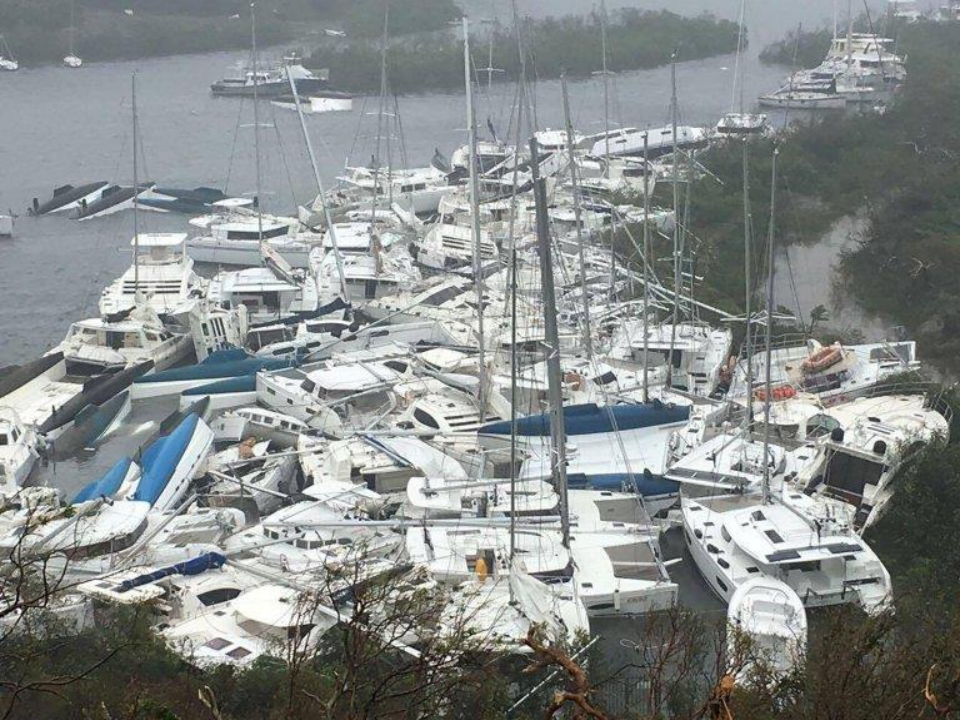
- 7) Raising awareness and competences in MSMEs;
- 8) Maintaining continuity of business and operations;
and finally
- 9) Use of indicators on continuity of business and
operations.



Country Experiences

BUSINESS CONTINUITY AND PREVENTION PLANS FOR THE TOURISM SECTOR

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Cayman Islands Hurricane Ivan 2004

Impact

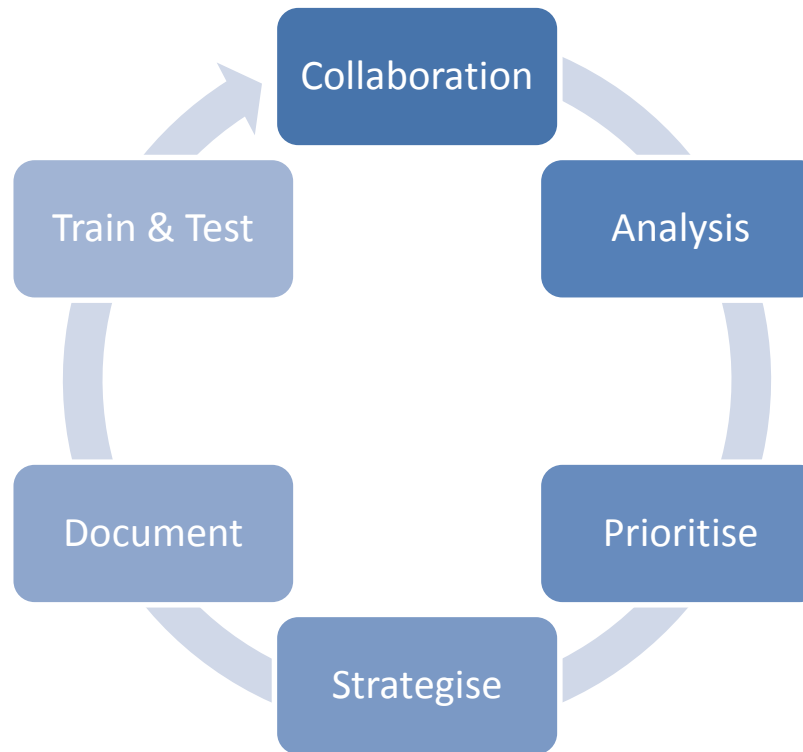
- International financial services & tourism are main economic drivers
- Financial services accounts for 63% Government revenue
- Economic growth declined from 3% in 2003 to 0.9% in 2004. GDP at end of 2005 was 6%
- 90% of properties damaged
- 79% of population affected
- USD 3.4 billion in losses
- 93% of banks reported having business continuity plans

Grenada Hurricane Ivan 2004

Impact

- Economy is tourism based with approximately 7% of GDP coming from export of agricultural products
- UN assessment of Grenada suggested Hurricane Ivan set back development by 10 years
- Total damages in excess of 200% of Grenada GDP
- Governance structures and systems debilitated
- No Business Continuity Plans

Business Continuity Planning for the Tourism Sector



Making it Real – Practical Projects moving forward

- Develop an immediate action plan for the revival of “business lives” in Dominica, Barbuda and BVI;
- Coordinate funding activities that provide seed capital for the previously identified project and incentivise private sector investment;
- Develop a policy framework for consideration of Governments to implement “value reengineering for business output” (consider through EU-CELAC forum;

Making it Real – Practical Projects moving forward

- Create a framework/log frame matrix for the measurement of the impact of Natural Disasters and the creation of business models that contribute to the new business practice
- Extend the PPP to PPAP which will incorporate Academia into the platform so there is “seamlessness” with regard to justifications, and as well the encouragement of innovation

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