Private sector’ roles, responsibilities and opportunities in the context of Systemic Risk

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CLIMATE CHANGE EFFECTS

• Higher temperatures
• Rising sea levels – inundation and loss of cities, livelihoods, lives
• Changes in precipitation patterns (increased or decreased rainfall)
• Influence agricultural crop yields
• New diseases and human health
• Changes to forests and other ecosystems
• Impact food and energy supplies
Systemic risk

Environmental issues are not new to us in the Caribbean- Hurricanes, Earthquakes, Sargassum seaweed etc.

COVID-19 and climate risk represent physical shocks- COVID-19 has shown us what a climate crisis could entail

COVID-19 and Climate Change highlights and exacerbates untested vulnerabilities in the economy and health care system

Both are regressive- that is they disproportionally affect the most vulnerable populations. For the Caribbean the presence of high levels of NCDs have been a problem we are grappling

Small Island Developing States (SIDS) are especially vulnerable

In order to suppress the transmission of COVID-19 many countries have had to close borders affecting business functioning, creating supply chain hiccups and devastating the tourism industry

Countries have also had to close local industries to reduce the possibility of local spread- so many retail stores remain closed up to today, bars are also closed
Roles and Responsibilities

Returning to ‘Business and Usual’ does not exist, nor do we want to go back to that stage where we are exposed to future shocks

Help save lives and livelihoods
- Work with Government to resume growth e.g. many companies have been providing hand sanitizers, gowns, masks etc.
- Need to be innovative and try new business models

Preparedness and Understanding of Risks
- Need to evaluate risks - vulnerability assessments need to be done for systemic risks
- Make decisions based on longer-term resiliency e.g. infrastructure services, healthcare systems

Supply Chain Implications
- COVID-19 exposed our over reliance on extra regional imports and we see need to work on integrating trade in Western Hemisphere
- Shorter more diversified suppliers - considering nontraditional collaborations with partners up and down the supply chain.

Building resilient firms -
- how can resilient businesses support each other
- Teleworking and greater reliance on digital channels
- Digital transformation

Need to integrate renewable sources of energy. Countries like Guyana, T&T, Suriname and Barbados who have or may discover oil and gas should use some of these revenues to diversify
Roles and Responsibilities

Encourage culture change and behaviour shifts- we need to communicate with employers, employees, civil society
  ◦ Encourage closed-loop production and consumption through “reducing, reusing, and recycling”

Raise Awareness of the impact of climate change, disasters and other disastrous events

Financing- financial flows would be important in recovery

Work with Government and civil society on an ongoing basis to ensure that we mitigate some of these risks
  ◦ Ensure we have a national and even a regional response to dealing with disasters and the fallouts and disruptions that will occur

Need a regional approach- none of the SIDS can do it alone
In Conclusion…

Two thoughts:

Vulnerability Index

Development of New Sectors for growth

The only response is:

Build Resilience through collaboration