



**BUSINESS CONTINUITY PLANNING: CRITICAL FOR A DISASTER PRONE REGION**  
**BY**  
**CARIBBEAN CENTRAL AMERICAN ACTION**

Recent events have highlighted the reality that the Caribbean Basin is particularly vulnerable to major climate and geological disasters. Unexpected weather patterns, and the highly erratic hurricane season projected for 2008 indicate that the region must continue to develop sustainable and effective disaster preparedness strategies.

In the past, focus has been squarely on disaster responsiveness, and key regional agencies such as the Caribbean Disaster Emergency Recovery Agency (CDERA) and the Central American Coordination Center for Natural Disaster Prevention (CEPRENAC) charged with working with national emergency management organizations to coordinate response to any event affecting member states have done an admirable job. However, with the private sector being the key to the region's economic development, all key stakeholders must be challenged to focus attention and resources on ensuring that businesses in particular have the necessary plans in place to recover quickly from the effects of a major event.

Partnerships such as those between leading international private sector companies, local chambers and national emergency management systems help in the development of "a culture of preparedness". These types of partnerships recognize that coordinated response management by all sectors is essential for affected countries to recover from a disaster and return to normal business operations as quickly and efficiently as possible. In these types of agreements, signatories can agree to create and execute a comprehensive response in the event of disaster, accenting the need for a partnership between the public and private sectors to effectively develop and deliver disaster management solutions based on open communication, trust, shared commitment and a genuine concern for the region and its people.

A solid business continuity program needs to be established in each of our countries, effectively encompassing the areas of safety and health, fire protection, environmental control, security, training, public affairs, communications, quality

control, maintenance and operations. Companies must shift from a business recovery plan mentality, which focuses on the recovery of assets after a disaster, and instead implement a comprehensive plan to mitigate the risk of loss.

According to a representative from Fujitsu, a major IT company with offices in the Caribbean, historically an average of 50% of businesses that lose data after a disaster close their doors. USAID and PADF reports state that of the businesses affected by disasters in the region, 40% of those that were forced to close their doors never reopen, and another 25% try and fail within a year. Given that the region is the second most disaster prone area in the world with estimated annual losses of US\$3.4 billion, as stated in reports from USAID, it is incumbent on all key stakeholders to make business continuity a priority so as to reduce the negative economic impact that disasters have on the region.

With the hurricane season upon us, government, business and the donor community must accept this challenging reality and place it in the forefront of their agendas. World Bank data indicates that hurricanes alone have caused more than US\$16 billion in losses in Caribbean nations since 1979. In the case of Hurricane Ivan, which had devastating effects around the region, Grenada's economic losses were about two times the country's GDP (US\$ 800 million). One can only imagine how lack of continuity planning affected companies abilities to reopen, employ citizens and drive economic growth. Pointedly, small and medium sized businesses, the engines of growth in the Caribbean, and the damage they sustain annually will continue to negatively affect the interlinked economies of the region, unless we act now.

Anton Edmunds is the Executive Director of Caribbean Central American Action and can be contacted at [aedmunds@c-caa.org](mailto:aedmunds@c-caa.org)

Ana Vega is a Program Director at Caribbean Central American Action and can be reached at [avega@c-caa.org](mailto:avega@c-caa.org)