



Speech by Simrin Singh, ILO Country Director

**Training Workshop for Kalutara Government Officers on the Business
Continuity Management for Increased Flood Resilience**

Garden Beach Hotel, Kalutara

10-11 December 2018

H.E. Akira Sugiyama, Ambassador of Japan

Mr. M.A. Thajudeen, Additional Secretary, Ministry of Industries

Ms. Damayanthi, Director Planning *on behalf of* Mr. U.D.C. Jayalal, District Secretary,
Kalutara

Mr. Sunil Jayaweera, Director- Preparedness Planning, Disaster Management Centre

Divisional Secretaries and other distinguished officers from government institutions

Colleagues from the UN

Resource Personnel

Ladies and gentlemen

I want to welcome you warmly to this training workshop on increased flood resilience through business continuity management for micro, small and medium enterprises in the Kalutara district. ILO is grateful to the Government of Japan who have provided financial support to make this training possible, as well as its follow up. Not only has Japan provided financial support, but their own story of building community and business resilience in the face of disasters serves as deep inspiration for the work we are undertaking here in Sri Lanka. We are also grateful to the District Secretariat, Kalutara and Disaster Management Centre for collaborating with the ILO to make this important programme a reality.

In the past 3 years, (2016, 2017 and 2018) Sri Lanka has witnessed the worst floods for the last 40 years in south western parts of the country. These unprecedented events are undeniably direct impacts of climate change. Sri Lanka, as a country, is still lacking the capacity to avoid these incidents and unfortunately remains inadequately prepared.



Unfortunately, the news is not good. Sri Lanka is moving up the rank of countries which are highly vulnerable to climate change. As a matter of fact the country has moved from a **4th place in 2016 to 2nd in 2018 according to a newly published report by The Global Climate risk Index**. The main cause of Sri Lanka's highly vulnerability to the impacts of climate change is due to the lack of preparedness which results in extensive damage to properties, disruption of livelihoods, prolonged recovery periods and consequent negative impacts on local economies and eventually the GDP.

We also need to bear in mind that Sri Lanka as a country has little control over greenhouse gas (GHGs) emissions and the concentration of atmospheric GHGs and global warming. Rather, we will have to cope with these impacts by **increasing preparedness and impact mitigation plan**.

The post disaster assessments conducted by United Nations Development Programme and Ministry of Irrigation, Water Resources and Disaster Management for the years 2016 and 2017 generated figures for damages through floods in several sectors and the damages to the MSME sector amounted to more than LKR 10 billion in 5 districts affected by 2017 floods (page 81, PDNA 2017). This estimation was limited and only covered some 20 sectors in micro, small and medium enterprises. The estimate did not fully capture the complete loss experienced by MSMEs in the 5 districts which includes Ratnapura and Kalutara.

The contribution from the MSME sector to the local economy is substantial. It accounts for 53% of GDP¹ and has generated about 634,000 jobs² in 2014 - A figure which is 50% higher than the employment generated from SMEs' in 2004. The impact to MSME sector by climate driven disasters pose a significant threat not only to local employment but to overall economic growth. It is an issue which needs to be addressed immediately and diligently.

In response to this threat, the ILO sought financial support from the Government of Japan to initiate flood resilience work for MSME sector in Sri Lanka and today it's the first training programme for government officers in the Kalutara district who work with MSMEs. The programme will cover a range of subject areas including the effective use of disaster related

¹ <http://www.sundaytimes.lk/170723/business-times/sri-lankan-smes-account-for-53-of-gdp-250994.html>

²

(https://www.researchgate.net/publication/320702168_Role_of_SMEs_in_Industrial_Development_in_Sri_Lanka)



information for increased resilience, preparation of business continuity plans, stock management and other mechanisms of risk reduction and disaster risk transfer. A second capacity training programme will be held in Ratnapura district later this week and from January onwards we will carry out awareness programmes on flood resilience and business continuity management to micro, small and medium entrepreneurs. This will allow them to minimise their losses through floods and landslides in future and build back better with more resilience.

As ILO we strive to continue this work beyond this phase and hope it will generate positive outcomes to the country and once again we thank the Government of Japan for its generous financial support. We are also grateful to all the government institutions who are collaborating with the ILO in this project, including: District Secretariat Offices in Kalutara and Ratnapura, Disaster Management Centre, Ministry of Industries and Commerce, National Disaster Relief Services Centre, National Enterprise Development Authority, Industrial Development Board and Small Enterprise Development Division, to name a few.

Dear Participants, we wish you two productive days at the training session and trust that with this training you would be able to provide a valuable service to MSMEs in future and contribute to Sri Lanka reducing its vulnerability to natural disasters.

Wishing you all a pleasant day of learning!