“Climate Change Impacts and Adaptation for Coastal Transport Infrastructure in the Caribbean”

Coastal Transport Infrastructure in the Caribbean – Economic Implications of the Recent Disasters

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Organization

- Transportation Infrastructure is Critical for SIDS
- Infrastructure Characteristics
- Impacts of Recent Disasters – Damages and Loss
- Macroeconomic Implications - Debt
- Social Impacts – Education and crime
- Political Impacts
- Conclusion
Transportation Infrastructure is Critical in SIDS

Indicator of Trade Openness: Total Value of Trade as a Percentage of GDP (2013)

Source: UNCTAD

Critical for Goods Trade
Critical for Passengers

Transportation Characteristics

- Small transportation markets
- High fixed costs per capita – scale effects
- Limited inter-connectivity
- Limited modes and redundancy
- Inflexible scheduling
- Reflecting diverse source and destination markets – historical legacy
Transportation Infrastructure is also Vulnerable

Impacts of Recent Disasters
Impacts of Recent Disasters...
Impacts from Natural Hazards

- Direct Impacts: Preliminary damage assessments – between 80% - 200% GDP
- Disruption of Trade Flows
- Destruction to agricultural crops, roads and bridges, electricity and telecommunications
- Up to 95% of buildings damaged or destroyed
- 33% of electricity infrastructure destroyed
- Loss of life
- Preliminary reported estimates: USD40 – 55 Billion for the Caribbean alone.

Other Economic Impacts...

- Key sectors – Tourism
- Public Debt
- Disruption of Investment Flows
- Increased risk premiums
- Logistics disruptions
- Environmental costs
Other Economic Impacts...

- Disruption of Investment Flows
- Increased Risk Premiums
- Logistics Disruptions
- Environmental Costs

Other (non-transportation) Impacts

- Social: Education and Health
- Political
- Overall medium to long term impacts unknown
Conclusions

- The peculiarities of the sub-region make transportation infrastructure extremely critical for Caribbean SIDS.
- Strategies for reducing vulnerabilities, enhancing resilience, and improving economic efficiency are necessary for sustaining economic and social gains.

THANK YOU