

Puerto Rico - Dual Crisis as Country Declares State of Emergency Due to Drought Amid COVID-19 Pandemic

- Authorities declared a State of Emergency due to worsening drought conditions in the country amid COVID-19 pandemic
- More than 26% of the island is experiencing severe drought and another 60% is under moderate crisis
- Southern region of Puerto Rico is the worst hit
- Starting July 2, approximately 140,000 residences, including few in San Juan, will be without water for 24 hours every other day as part of strict rationing measures
- Water rationing measures have already been imposed in certain areas in northeast
- Loss of water is especially concerning during the ongoing pandemic
- As of now, country reported more than 7,000 cases of COVID-19 and 153 deaths
- Supply Wisdom is continuously monitoring the situation and will alert you to any relevant developments

Source(s)

<https://thehill.com/changing-america/sustainability/infrastructure/505082-puerto-rico-declares-state-of-emergency-cuts>
<https://www.pix11.com/news/national-news/state-of-emergency-declared-in-puerto-rico-amid-worsening-drought>
<https://www.latimes.com/world-nation/story/2020-06-29/worsening-drought-forces-state-of-emergency-in-puerto-rico>

Targets Affected:

Puerto Rico

Guidance

Actions to consider:

- SW Subscribers are advised to review their contingency measures to meet the water demand
- It is advisable to evaluate the effectiveness of existing Disaster Recovery and Business Continuity Plans/Programs to determine the changes/updates required to be better prepared for such crisis, and update the plan accordingly
- It is important for clients to ensure all management teams in impacted areas are monitoring and addressing local government emergency information and recommended actions

Impact level Definitions

Impact Level	Definitions
Immediate	Certain - Supply Wisdom recommends considering prompt action. Examples of Immediate level alert events may include bankruptcy filings, data breaches, unexpected curfews, strikes, power black-outs, major geo-political events etc.
High	Highly likely to occur in the near term (within 3 months) - Supply Wisdom recommends being in a state of readiness to take quick action. Examples of High level alert events may include withdrawal of rating by ratings agencies, hostile takeover, multiple cyber-attacks, new business policies causing significant hardship etc.
Medium	Likely to occur in the mid-term (within 3 to 6 months) - Supply Wisdom recommends reviewing current mitigation steps and being ready to take proactive actions if and when situation deteriorates further. Examples of Medium level alert events may include unplanned C-level exits, suppliers caught in bribery cases, economy slipping into recession.
Low	Possible in the long-term (after 6 months) - Supply Wisdom recommends taking proactive action if situation does not resolve. Examples of Low level alert events may include lawsuits filed against suppliers, client losses, air pollution alerts issued by country's local authorities, unexpected holidays announced for the location etc.
Informational	The event is pertinent information but does not have a risk element associated with it. Examples of Info level alert events may include launch of new solutions, partnerships signed, industry outlook, positive changes in government policies, announcements regarding launch of software parks/ free trade zones/special economic zones etc.