



BARBADOS PRIVATE SECTOR TRADE TEAM

A DIVISION OF THE BARBADOS PRIVATE SECTOR ASSOCIATION

TRADE IN FOCUS

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FOOD PRICES COULD RISE

The drought conditions currently being experienced in the United States will have a significant impact on Barbados. The drought follows on the heels of the food price crisis of 2011 which stemmed from a decline in agricultural production, increased production costs, increased demand from emerging countries, speculation in commodity markets and an augmented demand for coarse grains which are used in the production of bio fuel in the United States.

Therefore, even prior to the drought, food prices were already under significant strain. The drought promises to exacerbate this circumstance further. Moreover, food production is also being hampered in other countries due to abnormal weather conditions. The World Bank predicts that dependant on a continuation of similar weather patterns, consumers should expect to see higher than average grain prices as far forward as 2015.

As it stands, Barbados's diminutive economy does not provide us with the advantage to influence commodity prices. Therefore, as price takers, Barbadians should be on the look out for price increases in certain products. In 2010, data shows that Barbados imported 100% of wheat and meslin along with 99% of maize from the US.

Animal feed imports were 86% while soybean was 100% for both 2010 and 2011. The United States is the world's largest producer of corn and soybean crops which have both been affected by the drought. Food items most likely to be impacted by price hikes are soybean oil, eggs, whole chicken, milk, beef and veal and bread.

Looking forward, one way of mitigating the adverse effects of the drought is to focus on productivity in the food sector in Barbados. This would ensure more domestic production of commodities to reduce our vulnerability to price and supply volatility.



Welcome to Trade In Focus

The Barbados Private Sector Trade Team (PSTT) is here to represent the interests of private sector organizations by providing research, communications and capacity-building support in the arena of international trade agreements. As we continue to provide a competitive edge to our stakeholders, we are constantly on the lookout for ways to better serve you. Therefore, we are very excited to introduce our E-ZINE where we provide you with a quarterly snapshot of trade news in the region and the world.

This bulletin is presented as part of the Private Sector Trade Team's efforts to deliver more current and succinct information to the business community in Barbados. Our articles will provide the latest information on trade and economic developments from around the world, and will focus on those that could impact favourably or negatively on Barbados and the CARICOM region.

ACS to bring e-regulations to Greater Caribbean

The Association of Caribbean States (ACS) will be introducing UNCTAD's e-regulations programme to its 28 member countries.

This message was relayed by the Secretary General of the ACS, Mr. Alfonso Munera in an interview held at the ACS office on July 11th.

Under its action plan for the upcoming year, the ACS trade committee plans to "promote initiatives aimed at reducing obstacles to trade in the region" through use of the e-reg program. Countries where the programme has been implemented have benefitted from expedited visas, simpler import procedures and the establishment of an electronic consultation system for accessing information and import requirements.

Trade director of the ACS, Ariadna Perez views the lack of knowledge regarding regulations and processes as the most basic obstacle to trade in member states. She observed that "In the long run, everything hinges on the level of transparency offered by each country to facilitate and or promote economic activities linked to trade"/

Perez noted that E-regulations are very important. Limited or no information can result in slow action on simple activities, thereby increasing transaction costs for not only consumers but also for those conducting the transactions and the economy as a whole.

The E-regulation ensures all steps and requirements that need to be met for doing business in each country. Perez observed that currently only 6 ACS countries have this facility promoted by UNCTAD. Other items on the ACS agenda involve the promotion of trade relations in the region through business forums. The last forum held was in 2010. The forums were used as tools for small and medium enterprises to interact. Major efforts are being made to have the entire Caribbean at the forum.

ACS also intends to support the growth of Micro and Small enterprises in the Caribbean. The Secretary General has proposed a macro project focusing on women in small businesses across various sectors; tourism, services, prevention of disasters and small industries. She stated that 35-40 per cent of small and medium enterprises are run by women.

View more: <http://www.guardian.co.tt/business-guardian/2012-07-19/acs-bring-e-regulations-greater-caribbean>



Noted increases in trade restrictions

Director General of the World Trade Organisation, Mr. Pascal Lamy has expressed concern on the continuing practice of governments implementing protectionist measures as a means of improving domestic economies.

In his biennial report, Mr. Lamy stated that over a 6 month period there had been an increase of 182 trade restrictive measures implemented by members. This increase has occurred despite members' commitments to withhold further restrictions during the economic crisis.

The types of measures being taken by countries include: increases in import tariffs, import licensing processes and also by way of non-tariff measures such as non-automatic import licensing requirements. As a result of these measures, projections have been made for trade growth to decrease from 5% growth in 2011 to 3.7% in 2012.

According to the Director General's report, the use of non tariff barriers as a method of restricting trade has made monitoring more difficult. Lamy stressed the need for trade liberalization on a global scale, emphasizing the need for improvements in transparency and peer review of trade-related measures, as increased public access to information and enhanced monitoring processes will encourage openness and accountability.

Read full article at
<http://ictsd.org/i/news/bridgesweekly/137557/>

INTELLECTUAL PROPERTY (IP)

PSTT Trade Consultant Mr. Joel Richards made a presentation on “Activating the IP Provisions of the EPA” at a world Intellectual Property Organisation/ Office of Trade Negotiations workshop in July. This workshop was attended by the heads of the various IP offices in CARICOM and the Dominican Republic. It was held at the Marriott Hotel in Barbados.

Mr. Richards stressed on the need for greater emphasis to be placed on IP especially given the significant returns that companies in the region can realise from their IP assets. As such his presentation focused on the following key areas:

- ∞ Knowledge Promotion
 - Promoting a sound grasp of IP importance
 - Promoting understanding of different forms of IP (Patent, industrial design, trade dress, copy right, geographical indications, marks –trade marks & service marks)
- ∞ Strengthening of IP Offices
 - Conduct IP Audits (Promote IP protection and compliance in domestic & export markets; assess & manage risk; remedy problems and implement best practices in IP asset management)
 - Introduce specialised units to focus on education and training within the private sector
- ∞ Strengthening of legislative mechanisms at national level
 - Legislative drafting support
 - Training of legal experts in IP
- ∞ Improved publication of IP information
 - Article 144 (A) of EPA speaks to providing electronic databases of trademark applications and registration
 - Article 164:2 (a) speaks to the development of available databases
- ∞ Support to trade/ export promotion agencies;
 - Build capacity/ provide training with respect to adaptation of product design, packaging and trademark for the export market.

NB. IP assets are sometimes more valuable than physical assets and SMEs are usually unaware of true IP value.

This presentation can be found on the PSTT website at <http://tradeteam.bb/resources/activating-the-ip-provisions-of-the-epa-a-private-sector-perspective/>

Jamaican Artistes losing out on unclaimed royalties in France

Former member of the 3rd World Band, Michael ‘Ibo’ Cooper recently posited that France is home to millions of dollars in unclaimed royalties for Jamaican artistes.

During the *Jubilee Conversations: The Origin of Music*, held at the Jamaican national stadium Friday August 3rd, Cooper explained that French record companies owed reggae artistes significant amounts of money, dating as far back as the 1970’s.

According to Mr. Cooper, this occurred as a result of Jamaican artistes’ lack of knowledge regarding Intellectual Property Rights. The money is inaccessible mainly due to incorrect registration. Cooper related to the Jamaican Observer that the record agencies would not hand the money over unless they receive proper documentation stating, “You have to know who played what, when...Until then, money on hold is in an escrow account”. The former musician also disclosed that under a statute of limitation, the funds would eventually be transferred to the cultural foundation of France, benefitting young French musicians while the Jamaican schools continue to struggle for equipment.

View article here:

http://www.jamaicaobserver.com/entertainment/French-Connection---Millions-in-unclaimed-royalties-in-France_12235175

PSTT RECENT ACTIVITIES

Launch of Micro Finance Study

In June 2012, the BPSA publicised the results of an IDB funded study on “A policy Framework to Incentivize the Micro-Business Sector in Barbados”. This study was conducted by the late economist, Mr. Lindsey Holder and was attended by representatives of the IDB, the BPSA member associations, the Ministry of Industry, Small Business and Rural Development, Fund Access and various media houses. Some of the major proposals emanating from the study include:

- The need for an amendment of the Small Business Development Act;
- Increased staffing levels at the Small Business Development Unit
- Continuation and possible increase in Government grants to the Small Business Association;
- Timely injections of capital into Fund Access and Enterprise Growth Fund Limited (EGFL);
- Greater coordination/ rationalisation of the provision of business development services to micro, small and medium enterprises and
- The introduction of new financial packages by Fund Access and EGFL.



Ms. Christel Saab making a presentation on behalf of the IDB.

The study is available on the PSTT website at <http://tradeteam.bb/resources/a-policy-framework-to-incentivize-the-micro-business-sector-in-barbados/>

EPA Workshops and Roundtable Discussions

With the assistance of Independent Consultant, Ms. Alice Walters, BPSTT held a four part series of EPA workshops and roundtable discussions during the month of April 2012. These events attracted over 100 participants from both the public and private sectors. The over arching goal focused on identifying the areas that would allow both government and the private sector to reap the maximum benefits from the EPA. Areas of focus included intellectual property rights, protection, overcoming technical barriers in the EU market, the relationship between merchandise trade and services, marketing, competition as well as cultural goods and services. Speakers were drawn from the Barbados National Standards Institution, the Office of Trade Negotiations, the EU Delegations for Barbados and the Eastern Caribbean, the National EPA Implementation Unit and the Division of Foreign Trade. Two independent consultants also made presentations in the areas of linking goods and services exports as well as intellectual property.



Dr. Chantal Ononaiwu from the Office of Trade Negotiations was one of the presenters at the EPA workshop.

Presentations from workshops and roundtable discussions are also available on the PSTT website: <http://tradeteam.bb/resources/category/presentations>

Time to thread new waters

In his address at the opening ceremony of the 33rd Regular Meeting of the Conference of Heads of Government, July 4th in St. Lucia, CARICOM's new chairman, the Honourable Dr. Kenney Antony affirmed that it was time for CARICOM To overhaul and redefine its foreign policy positions and postures.... To engage new and emerging global partners..."

Dr. Anthony who is also the Prime Minister of St. Lucia believes that there is a need to reshape the political architecture governance structures, financial management structures and parliamentary processes within CARICOM. The chairman noted that some developing countries had avoided major repercussions from the global crisis. He advised that forging new political partnerships was not to be considered synonymous with cutting ties with our traditional friends and allies. He asserted that any new partnerships should be defined by our strategic interests.

The chairman exemplified China and Africa as potential partners, recognizing China's prospects of becoming the world's largest economy in a few years and the African continent's aptitude for embracing and adapting to technology faster than the Caribbean.

The chairman emphasized that during the upcoming months, the aim would be to push towards an active engagement with third states especially Africa, Latin America and other emergent economic regions.

Dr. Anthony also stated that economic and socio-cultural partnerships which would be beneficial to all involved are a necessity and will be a step towards CARICOM sharing with the world in a more active manner.

See more at: <http://news.caribseek.com/index.php/caribbean/caribbean-news/caricom-news/item/18236-time-to-tread-new-waters-says-caricom-chairman>



INCE BACKS CSME



Barbadian Senator, Jeptor Ince has pleaded with Regional leaders to not let their differences hamper the progress of a Caribbean Single Market and Economy (CSME)

During remarks made Fri July 13 at the 2nd Meeting of the Contributors and Development Partners of the Caribbean Development Fund (CDF), the Permanent Secretary of the Ministry of Finance noted that regional economies were still vulnerable to rising energy and commodities prices as well as high interest rates. While cognizant of the difficulties governments face in balancing budgets and finding opportunities for growth and development, Senator Ince still avows that the increasing social and economic disparities should be discontinued, if we are to realize a single community within CARICOM.

The senator cautioned leaders to find ways to reestablish confidence in our systems of law and justice at the level of CARICOM.

View more: www.nationnews.com/articles/view/ince-csme-makes-sense/

US, EU move closer to trade talks

The probability of a Brussels-Washington trade and investment pact has increased, following a European Union-United States report was released which stated that great potential could be derived from a comprehensive bilateral deal.

The interim report was prepared by the European Union United States High Level Working Group on Jobs and Growth last November and looked at a series of possible areas where EU and the US could find convergence.

The current partnership between the US and EU already exceed 500 billion but estimates from the United States Chamber of Commerce project that with reductions in trade barriers, annual trade volume could reach \$120 billion.

Past attempts to lower trade barriers have been unsuccessful. The report recommends that both parties should consult further to find the best approaches to handle issues such as Intellectual Property Rights.

Top officials from each side already seem to have differing views on what improved trade ties could represent. EU trade commissioner, Karel de Gucht believes that an US-EU agreement must be both ambitious and realistic and should be completed by mid 2014. US trade representative Ron Kirk, while noting opportunities could be gained from a comprehensive trade deal, cautioned against all or nothing talks, observing that overlooking smaller deals would be an oversight.

View full article <http://ictsd.org/i/news/bridgesweekly/136978/>

Time to Conclude Trade Facilitation Agreement

Former World Bank President Robert Zoëlick and Development Bank heads opined in a recent editorial that the WTO should make haste in completing an agreement on trade facilitation. The other bank heads represented in the editorial were the heads of the Islamic Development Bank, the African Development Bank, the Asian Development Bank, the European Bank for Reconstruction and Development and the Inter American Development Bank.

The participants of the letter believe that a trade facilitation agreement would be advantageous to all. They view the agreement in trade facilitation as a form of down payment on the commitment members made on the linkages between trade and development. They believe that developing countries could receive numerous benefits. Research orchestrated by the World Bank showed that it would cost would between 7 and 11 million over various years to implement.

The main hurdle with the trade facilitation agreement is that none of the countries are willing to offer trade facilitation without some form of reciprocity. Another obstacle is whether trade facilitation should remain linked with the Doha negotiations despite the current impasse.

View more at <http://ictsd.org/i/news/bridgesweekly/137544/>



Doha Round far from Conclusion

In an interview July 18, Deputy Director General of the WTO, Dr. Harsha Singh informed reporters that efforts to conclude the decade long Doha Round were progressing slowly.

Member countries have yet to find a resolution for their differences and Dr. Singh credits a pick up in the global economy as a possible stimulant to making larger in-roads to them finding a resolution.

Dr. Singh revealed that a review of the Doha Round will be conducted at the next biennial Ministerial meeting. However, he was hopeful that more issues could be suitably addressed following the imminent US elections. Dr. Singh also cautioned that the increase in protectionist measures was having a negative impact on world trade.

According to Singh, one of the major issues hampering the Doha Round was the United States' insistence that countries who recently recorded significant growth should have larger obligations such as opening up of their markets. China and India countered that despite their impressive growth a large number of their populations was still poor and needed to be shielded from external factors.

The United States and European Union also asked that emerging economies commit to increased tariff reductions for industrial projects whereas the developing countries believe that the more advanced markets should reduce their high agricultural subsidies.

Dr. Singh believes that countries are on the way to recognize the need for harmonization of standards and hence that a multilateral agreement would be the best course to embark on.

View more at: <http://www.thehindubusinessline.com/industry-and-economy/article3653763.ece>

Updates

CARICOM –CANADA TRADE NEGOTIATIONS

The fourth round of technical negotiations took place during the month of July. The parties discussed the liberalisation of investment, trade in services and goods. Both sides also exchanged ideas on development cooperation which is expected to be a deal breaker during the negotiations. Negotiations should conclude by December 2013.

EXPORT DEVELOPMENT

The BPSA has contracted the services of Ms. Lisa Callender, a trade and export development expert to develop a series of export guides and sector studies for the EU market. The sectors of focus include: agro processing and travel-related distribution services among others. The guides and studies are scheduled for completion at the end of September 2012. A series of practical workshops will also be conducted for players in the respective sectors.

BIDC TRADE MISSION

In June 2012, the PSTT represented the Barbados Manufacturers' Association (BMA) on a Barbados Investment and Development Cooperation (BIDC) sponsored trade mission to St. Vincent and the Grenadines. Approximately 12 companies participated on the mission and from several indications the response from the Vincentian public was very positive. The PSTT also took the opportunity to do some on-site market research which revealed the presence of a wide range of Barbadian goods in the market. These included Gold Crest Chicken Vienna Sausages, Roberts' soyabean oil and margarine, Pinehill Dairy juices and soft drinks, BEEP, Oran windows and doors and WIBISCO biscuits among other products. Hopefully other local producers would follow their lead and establish a presence in overseas markets.



Some of the Barbadian products on display on Supermarket shelves in St. Vincent

UPCOMING EVENTS

17- 20 September

29TH Session of the ACP Parliamentary Assembly and Inter-Sessional Meetings of the ACP –EU Joint Parliamentary Assembly, BRUSSELS, BELGIUM.

24- 26 September

WTO Public Forum 2012- “Is Multilateralism in Crisis?” WTO HQ, GENEVA, SWITZERLAND.

1-3 October

2012 Foromic Barbados 2012: “Unlocking Entrepreneurship: Towards Innovative Solutions”. Lloyd Erskine Sandiford Centre, BARBADOS.

19 October

9th TPO Network World Conference Awards: “Transforming TPOs Business through Innovation” MATRADE EXHIBITION AND CONVENTION CENTRE, KUALA LUMPUR, MALAYSIA.

29-31 October

7th Regional Meeting ACP-EU Joint Parliamentary Assembly (location tbc)

30 October -3 November

Social Protection and Labour South-South Learning Forum 2012.: “The Role of Labour and Social Assistance Policies. Hosted by World Bank, HYDERABAD, INDIA.

6-7 November

2nd Annual Women Vendors Exhibition and Forum. MEXICO CITY, MEXICO.

21-28 November

30th Session of the ACP Parliamentary Assembly and 24th Session of the Joint ACP-EU Parliamentary Assembly, PARAMARIBO, SURINAME.

10-15 December

7th Summit of ACP Heads of State and Government and 1st ACP-EU Summit, CENTRAL AFRICA.

Wibisco doing well in export markets

On May 5th 2012, general manager of Wibisco, Mr. Adrian Padmore announced that the company will be reducing their prices on their healthy biscuit products by between 7 and 10%. At a press conference held at the company's headquarters, Padmore stated that the reduction in price was to allow consumers to benefit from healthy lifestyles and promote healthy living.

Padmore credited the company's export success as the enabler for these new prices. Export sales have increased by over 20%, giving the company with a strong base for the present financial year. The general manager shared his pride over the knowledge that Barbadian products were being consumed across the Caribbean, United States, United Kingdom and Canada.

Marketing manager of the company, Diane Payne spoke of an expected expansion in products sold abroad as a means of augmenting sales further.

The company is now looking into Solar as a means of reducing their production costs to help keep sale prices at a minimum.

View more:

<http://www.babadosadvocate.com/newsitem.asp?more=business&NewsID=24485>



**We want
to hear from you ...**

Please send your questions and comments to us via email: tradeteam@caribsurf.com