



BARBADOS PRIVATE SECTOR TRADE TEAM

A DIVISION OF THE BARBADOS PRIVATE SECTOR ASSOCIATION

TRADE IN FOCUS

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UN says CARICOM at “important turning point”

United Nations Secretary General Ban Ki-moon is of the view that the present times could be advantageous for the Caribbean region. In his message delivered at the end of the 34th CARICOM summit, he shared that the region should use this period as an opportunity to adapt development models as they renew efforts to meet a challenging global environment.

Executive secretary of the Economic Commission for Latin America & the Caribbean (ECLAC), Alicia Barcena, who spoke on the Secretary General's behalf also noted the region's resilience to external shocks along with the strength and democratic values observed over the last four decades.

Ban Ki-moon's message also relayed his appreciation of CARICOM's contributions to numerous global issues including the millennium development goals, climate change and addressing non-communicable diseases inter alia. He urged that there be 'global partnership for the prosperity of all states especially small vulnerable Small Island Developing States (SIDS).



UN Secretary General Ban Ki-moon

Mr. Ki-moon also intoned that the partnership should be constructed on the basis of the following three pillars: use of a structural gap approach for classification of middle income countries; improvements in funding mechanisms provided by international financial institutions and improved instruments for aid for trade.

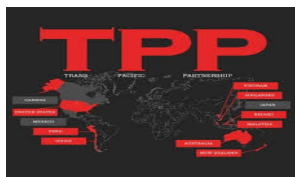
Ban opined that 'a bold programme of productivity upgrading' is needed in the region's sectors to boost competitiveness. He suggested that the Caribbean focus on looking to "green growth" opportunities.

http://www.caribbean360.com/news/trinidad_tobago_news/812673.html#axzz2dTqaE6sH

The Way Forward in CARICOM-Canada Negotiations

- I. Fresh Rounds of negotiations are expected to be convened with Canada in October and November of 2013. However, it is highly unlikely that both sides will reach an agreement by December 31st, 2013.
- II. If no agreement is reached by December 31st, 2013, the likelihood is that a number of CARICOM goods are likely to face tariffs in the Canadian market up until a free trade agreement is in place. The goods which are likely to be subject to customs duties in Canada should the CARIBCAN waiver not be extended include **Rum** (HS2208.40.10), which accounted for US\$12 million in local exports in 2012 and would face a duty of 5.4%; **Liqueurs and cordials** (HS2208.70), accounting for US\$2.2 million in local exports in 2012, would be taxed at 0.5% (all alcoholic beverages, except beer, attract duties); **other articles of iron or steel; aerated beverages and pepper sauces would attract** duties ranging from 3% for pepper sauce to 11% for aerated beverages.
- III. Given the above, the best-case scenario is that either negotiations will be concluded by December 31st, 2013 or if this is not achieved, then Canada would seek an extension of the CARIBCAN waiver in order for Barbadian and CARICOM goods to enter that market duty free. The worse-case scenario is that the negotiations will not be completed by the specified time and Canada will not seek an extension of the waiver which would then subject our exports to that market to prohibitive customs duties.
- IV. Canada is also engaged in other negotiations such as the Trans-Pacific trade negotiations involving Canada, the US, Japan, Australia, New Zealand, Chile, Peru and several other countries in the Asia-Pacific region. India and Canada are also locked in trade negotiations. What this suggests is that CARICOM could fall down the “pecking order” with Canada and this could be devastating particularly if the CARIBCAN waiver is not renewed. Given this probability, the Barbados Private Sector Trade Team calls on all sides to advance progress towards either extending a waiver to the existing CARIBCAN arrangement; driving the negotiations or both. Whatever happens, our interest remains having predictable and secure duty free access to the Canadian market and eventually, new opportunities for service providers.

By Joel Richards
Trade Consultant,
Barbados Private Sector Trade Team



Talks Intensify

August 30th 2013 marked the end of the nineteenth round of the Trans-Pacific Partnership (TPP) talks. Negotiators from twelve Pacific Rim countries met in an intense round held in Brunei, in efforts to conclude the agreement by year end.

Reports suggest that progress was made in areas such as competition, financial services, investment, intellectual property, market access and rules of origin.

During the nine day round, newest member Japan proposed elimination of tariffs on 80% of imports with additional plans to increase it to over 90% of goods. A clash is expected between Japan and its TPP partners in the area of agriculture.

The next meeting of TPP will be among chief negotiators in Washington during the period September 18th to 21st. TPP members include the United States, Canada, Mexico, Australia, New Zealand, Peru, Chile, Brunei, Japan, Malaysia, Singapore, South Korea and Vietnam.



<http://ictsd.org/i/news/bridgesweekly/175521/>

<http://www.japantimes.co.jp/news/2013/08/30/business/brunei-tpp-round-ends-in-success/#.UinzxhtQGdi>



Political and Commercial mission to Brazil

Political and Commercial Mission to Brazil

From September 14th and 21st, 2013, the Honourable Maxine McClean, Minister of Foreign Affairs and Foreign Trade of Barbados, led a Political/Commercial Mission to Brazil. The aim of this Mission was to stimulate commercial opportunities for Barbadian goods and services on the one hand and improving diplomatic and areas of functional/technical cooperation between the two Governments on the other hand.

Having participated in the preparatory meetings leading up to the Mission, the Trade Team was fully supportive of the initiative. For a long time, we have advocated the need to expand and diversify our economic and trade relations to include emerging and major trading economies such as Brazil.

Brazil is the largest country in Latin America by land mass and economic activity. Brazil is also becoming an increasing political heavyweight on the world stage. Therefore, it is a rational choice that Barbados should seek to cement ties with this country in the areas of trade, education, cultural and financial services and tourism.

A variety of industries/sectors such as professional services, agriculture, renewable energy, beer, condiments and biscuits are likely to benefit from this initial Mission to Brazil. There are also specific opportunities for teachers of English as a second language and interpreters for major events. It is foreseen that the transfer of technology and the sourcing of agricultural equipment from Brazil to Barbados, especially in the areas of sugar and cotton will lead to the evolution of new industries and by extension increased exports. Sourcing raw materials as inputs for food products and pharmaceuticals is also expected to enhance the base of the manufacturing sector in Barbados. Generally, building contacts, negotiating business-to-business contracts and overall creating opportunities for businesses to grow are the major opportunities offered by this Mission.

Brief by Shardaey Boyce
Trade Research Officer

Greater Assistance for Developing Countries

Caribbean Community (CARICOM) Secretary General, Irwin LaRocque stressed the need for increased assistance from developed countries to improve socio economic development within developing states.

During his speech at the 7th General Meeting of CARICOM held in New York in July, the Secretary General also urged the world community for assistance in the region's fight against crime. He noted that citizen security is an "issue of paramount concern to the Caribbean Community".

However Mr. LaRocque took the time to recognize that the region could not be wholly dependent on external assistance regarding crime. He made mention of the 2013 CARICOM Crime and Security Strategy, a noteworthy weapon in the region's defence against the war on crime.

LaRocque also touched on other relevant areas of the regions development including; the effects of the global financial crisis, climate change and non-communicable diseases.

Concerning the region's vulnerability to financial constraints, he inferred "the situation is exacerbated by onerous debt and graduation from access to concessionary development funding based on criteria such as GDP per capita, which do not take due account of vulnerability."

LaRocque also requested the need for climate financing from agencies akin to the United Nations Framework Convention on Climate Change (UNFCCC) Green Climate Fund.

According to the SG, the Community's advocacy regarding the intertwined phenomena of sea level rise, and other intense weather events on the socio economic and fragile environment of the low lying island and coastal states of CARICOM is a fight for our very survival.

<http://bit.ly/164nuoU>

New EU Trade Deal in Effect



The European Union (EU) has now established formal trade pacts with Colombia and Peru. The trade pact entered into effect on August 1st 2013

According to the European Commission (EC), the agreement will open up markets for products traded between the Parties and after a transition period, there will be no customs duties on industrial and fisheries products.

The negotiations also covers far-reaching provisions guaranteeing the protection of human rights, commitments on labour standards and environmental protection that will underpin sustainable development.

http://europa.eu/rapid/press-release_IP-13-758_en.htm

Reduced agricultural production expected

The Organization for Economic Cooperation & Development (OECD) and the United Nations Food and Agricultural Organization (FAO) have reported an expected decline in agricultural production over the next ten years. On the other hand consumer demand is expected to increase. Prices are also expected to increase as a result of the lesser production levels.

Secretary General for the OECD, Angel Gurrá warned that despite a fairly positive outlook, investment and growth in agriculture could suffer drastically if the global economy is not redressed.

<http://www.fao.org/news/story/en/item/177396/icode/>

Public Private Partnerships Promoted in Jamaica

A public private partnership (PPP) is being launched in Jamaica to promote the development of economic infrastructure and increase provisions of vital basic services. The partners involved in this new program are the Multilateral Investment Fund (MIF) of the Inter-American Development Bank (IDB), the Development Bank of Jamaica (DBJ) and the Jamaican Ministry of Finance and Planning (MOFP).

This program is the first of its kind to be financed and is part of the MIF's new Regional Public Private Partnership Advisory Services program also referred to as "New Frontiers in Public Private Partnerships" The umbrella program is an 8 million dollar(US) initiative and is also co-financed by IDB's Infrastructure and Environment Sector (INE) department.

Jamaica will receive a US \$347,000 contribution for expert advisors to train public and private sector actors involved in PPPs, refining project selections and identifying processes, evaluate financing for projects and ongoing operations of the program.

<http://bit.ly/180vudG>

Social Entrepreneurship

Entrepreneurship isn't about selling things; it's about finding innovative ways to improve people's lives. (Richard Branson, 2013) The term 'social entrepreneurs' refers to those individuals who rather than leaving societal needs to the government or business sectors, find what is not working and solve the problem by changing the system, spreading the solution and persuading the entire societies to take new leaps (Ashoka Innovators)

The British Cabinet Office has records of over 70,000 social enterprises currently in existence to assist people, communities and the environment. In 2012, these types of business contributed over £54.9 billion and employed near to 1 million people.

Likewise, business and governments within the region should encourage established entrepreneurs and young innovators to focus on problem areas like health, education, climate change and social care.

Richard Branson regards these types of entrepreneurs as 'everyday heroes'. He notes however, that there are three hurdles that lie in the path of social enterprises being formed. First and foremost is the difficulty in access funding for social enterprises. Another obstacle lies in finding the right contacts and linkages between technology entrepreneurs and those involved in social change. The last impediment is a lack of mentorship.

Mr. Branson believes that more initiatives and competitions with a focus of rewarding non-profits would be beneficial to the sector and encourage more opportunities for funding, networking and mentoring.

<http://bit.ly/19XqeXM>

The World's Best

The World Economic Forum's (WEF) Global Competitiveness report defines competitiveness as the "institutions, policies and factors that determine the level of productivity of a country." The survey is based on 148 nations, divided into 3 classifications; "factor-driven", "efficiency-driven" and "innovation-driven" economies. The term 'factor-driven economy' applies to less developed countries that rely on low skilled labour and natural resources. Efficiency driven refers to those economies with a focus on improving economic output by increasing production efficiency. Countries reliant on innovation and technological advancement to drive growth account for the final classification.

According to this year's report, the top 10 Economies (in descending order) in 2013 are the United Kingdom, Japan, Netherlands, Hong Kong SAR, Sweden, United States, Germany, Finland, Singapore and Switzerland.

Lead economist at WEF's Global Competitiveness and Benchmarking Network, Margareta Drzeniek-Hanouz, noted that "competitiveness is not so much about countries competing in the global marketplace, but rather about the factors—politicians, institutions- that countries put into place to raise productivity and thereby grow."

The top ranked economy, Switzerland, was high in business sophistication and innovation. Switzerland also capped the list in university-industry Research and Development (R&D) collaboration and local supplier quality. The country also ranked fourth in GDP per capita at USD\$79,033.

Barbados is ranked 44th in the Global Competitiveness Index (GCI). This is a slight drop from its 42nd position of last year. However the country retained its score of 4.4.

The GCI is measured based on a country's infrastructure, macroeconomic environment, health and primary education, higher education and training, goods and labour market efficiency, financial market development, technological readiness, market size, business sophistication and innovation.

http://www.huffingtonpost.com/2013/09/15/best-economies-world_n_3930839.html?view=print&comm_ref=false
<http://247wallst.com/special-report/2013/09/10/the-best-economies-in-the-world/3/>

Global Trade Posing Fresh Challenges



A report published by the WTO reveals expectations for rapid change to occur in the arena of global trade.

No reversal in globalisation is predicted but Mr. Lamy cautioned that short term pressures could nullify prospective gains if social responsibility concerning uneven benefits is neglected.

Technology and demographic changes are expected to serve as crucial drivers in trade evolution as emerging economies take on greater roles in technology production. Chief Economist for the WTO, Mr. Patrick Low stressed that new policies must take the fast changing trade landscape into consideration. Mr. Low mentioned that another key trend observed was the trade's dominance by a minute number of large firms. Trade patterns shifts would be set by global supply changes and a rapid growth is expected in trade in services.

The 2013 World Trade Report also suggested that politics and policies addressing issues such as job availability, income inequality and environmental concerns could be affected.

<http://ictsd.org/i/news/bridgesweekly/173275/>

Jamaican Private Sector forms Trade Team

The Jamaica Chamber of Commerce, Jamaica Exporters Association, Jamaica Manufacturers' Association (JMA) and the Private Sector Organisation of Jamaica have joined forces to form a private sector Working Group.

President of JMA, Brian Pengelly stated that the Working Group is a solution to keeping private sector organisations abreast of Jamaica's trade issues within the region. This collaboration was spearheaded based on feedback from private sector companies.

The Working Group on Trade has promised to meet every Friday and make recommendations to the government on issues relating to regional trade relations.



<http://jamaica-gleaner.com/latest/article.php?id=46509>



Unfair Beer Export Practices

In an interview with the Barbados Advocate newspaper, Minister of Industry, International Business, Commerce and Small Business Development, Mr. Donville Inniss stated that multinational corporations in the Organisation for Eastern Caribbean States (OECS) have been benefitting from lower duties on products entering Barbados.

Mr. Inniss was adamant regarding his negative view towards unfair trading practices and informed the Advocate that he would be raising the issue at his first COTED (Council of Trade and Economic Development) meeting.

OECS countries are categorised as Less Developed Countries (LDCs) and garner preferential treatment on some products as a result of their WTO categorisation.

<http://jamaicagleaner.com/gleaner/20130618/business/business2.html>

TRADE SHOWS 2013

Trade Show	Dates	Description	Location	Website
GridWeek 2013	Oct 1-3	GridWeek is the only event that attracts the complete diversity of global electric-industry stakeholders to explore Smart Grid's impact on the economy, utility infrastructure, consumers and the environment.	Washington, DC	gridweek.com
Newport Food Festival	Oct 5	Promotion of large scale food and drink services industry	Wales, UK	biztradeshows.com
International Baking Industry Exposition (IBIE)	Oct 6-9	The Baking Expo™ (IBIE) is produced by the American Bakers Association (ABA) and the Baking industry Suppliers Association (BEMA).	Las Vegas, NV	ibie2013.org
Wood Green Arts, Craft, Food and Drink Fair	Oct 12-13	An overwhelming opportunity for all the artists, market professionals, design makers and business participants as Wood Green Arts, Crafts Food and Drink Fair is going to offer excellent platform for profit making market promotion in the in global fore front.	Cambridge, United Kingdom	biztradeshows.com
European Tea Expo	Oct 16-17	Tea and coffee distributors from all over the world will get an opportunity to acquaint themselves with the latest tools and technologies which will help in the development of making tea and tea related products.	London, UK	bitradeshows.com
SEAFOOD BARCELONA	Oct 22-24	The seafood market place for Southern Europe and the Magheb	Barcelona, Spain	seafoodbarcelona.com
Cake International	Nov 8-10	Cake International is a place where more than 100 exhibitors from different corners of the country will come and demonstrate cutting edge cake supplies and products and proper methodologies to all the cake craft and decorating fans.	Birmingham, United Kingdom	biztradeshows.com
POWER-GEN International	Nov 12-14	POWER-GEN International is the industry leader in providing comprehensive coverage of the trends, technologies and issues facing the generation sector.	Orlando, FL	power-gen.com
Good Food Show London	15-17 November	This show will provide an effective platform for the exhibitors to display the latest products related to food, drinks and wine which will help to increase the product visibility.	London, United Kingdom	biztradeshows.com
AgriScot	20 November	This will be showing so many different kind products related to emigration assistance, pharmacy, pesticides, agricultural mechanization, agriculture seeds, dairy farm, manure storage, stable, feed and supplements and business services	Edinburgh, United Kingdom	biztradeshows.com

UPCOMING EVENTS

1 -31 Oct

Task Force on Unemployment
Meeting at the ILO, Geneva
Switzerland

11 Oct

ACP- EU Joint Ministerial Trade
Committee, Brussels, Belgium

21 Oct

EU Foreign Affairs Council to
discuss EU comprehensive approach.

21 - 22 Oct

Global Partnership for Financial
Inclusions Forum, St. Petersburg,
Russia.

21 -22 Oct

Global Green Growth Forum.
Coorganised by ICTSD and Danish
Ministry of Foreign Affairs

12-13 Nov

GPATS 2013 "Effective in
Public Policies to deliver the
Promises of the digital Age",
Reboucas Convention
Centre, Sao Paulo, Brazil

21 Nov

IDB: Demand Solutions-
Ideas for Improving Quality
of life, IDB Hq, Washington,
DC

3 Dec

Centre for Strategic and
International Studies (CSIS)
Bali Trade and Development
Symposium,

3-6 Dec

Ninth WTO Ministerial
Conference, Bali

Trade Services Database to be developed

The WTO and the World Bank have joined forces in the development of a database for trade in services having recognised its growing importance.

Empirical analysis of trade in services remains in its infancy. In addition to analysing data, there is hope that the database will help to facilitate dialogue and improve on current constraints involved in policies affecting trade.

The functions of the database will include coverage of over 100 countries in sectors such as finance, transport, tourism, retail, telecommunications and business services.

Access to the database will be free for the general public. Cross border trade in services accounts for one-fifth of world trade. This does not take into account transactions which may occur with temporary movement of people.

More here:

http://www.wto.org/english/news_e/news13_e/serv_05aug13_e.htm

<http://iresearch.worldbank.org/servicetrade/>



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

Please send your questions and comments to us via
email: info@tradeteam.bb