



BARBADOS PRIVATE SECTOR TRADE TEAM

A DIVISION OF THE BARBADOS PRIVATE SECTOR ASSOCIATION

PRESS RELEASE

BARBADOS PRIVATE SECTOR TRADE TEAM STATES THAT THE CARICOM-CANADA NEGOTIATIONS ARE AT A CRITICAL CROSS ROAD

(Bridgetown, February 21st 2014)- The Barbados Private Sector Trade Team (BPSTT) believes that the CARICOM-Canada negotiations are at the most critical stage of development since the talks began in 2008. According to Ms. Shardae Boyce, Trade Research Officer, "In the absence of a trade agreement, Barbados' exports will become more expensive to consumers in Canada and generally less competitive given that Canada offers preferential access to similar products, from a multiplicity of countries, through free trade agreements and other preferential schemes. However, if liberalisation in the domestic market is done recklessly then a concluded agreement with Canada can be just as catastrophic to our local industries."

The CARIBCAN arrangement, which allowed 98% of CARICOM's goods duty free access into Canada ended December 31st 2013. Canada's political directorate has boldly stated that it will not be renewing arrangement.

One of the most distinguishing factors between CARIBCAN and the proposed trade agreement with Canada is that CARIBCAN was based on non-reciprocity; consequently the Region's market remained protected while Canada granted duty free access on its end. All two parties are required to substantially liberalise all trade under the proposed Agreement. Ms. Boyce said: "What makes the proposed Agreement more peculiar is that the Region now has to honour the provision in its CARIFORUM-EU Economic Partnership Agreement which states that any concession given to a developed country like Canada must also be offered to the EU". Should Barbados liberalise products which are also locally produced Barbados' businesses will be unable to compete, in the domestic market, with the influx of products coming from other jurisdictions at preferential rates of duty.

The BPSTT believes that Barbados and the wider Region must be attentive to what they are sacrificing to Canada but does not believe the Region should give up on the negotiations at this point. "What must be kept in mind is that the Parties are in the 'battle' stage of negotiations, which allows them to bargain for what they want. Therefore, Barbados must press hard for the outcomes it desires."

About the BPSTT

The Barbados Private Sector Trade Team (BPSTT) is a division of the Barbados Private Sector Association (BPSA). The mission of the Trade Team is to represent and promote the interests of Barbados' private sector in the arena of international trade negotiations. The BPSTT researches, documents and provides information to the private sector on a wide range of negotiations including special decisions taken in the World Trade Organization (WTO); the Free Trade Area of the Americas (FTAA); the Caribbean Single Market and Economy (CSME); the European Union / Africa-Caribbean-Pacific region (EU /ACP), and the on-going CARICOM-Canada Trade and Development Agreement negotiations.