

# CARIBBEAN EXPORT OUTLOOK

2016-2017

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# EXPORT FROM THE CARIBBEAN

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Focused mainly on **agro-processing, alternative energy, creative industries, handicraft, health and wellness, manufacturing, professional services, and specialised tourism** Caribbean Export supports the regions Private Sector with capacity building and market penetration and the utilisation of the Economic Partnership Agreement (EPA).

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building, Caribbean Export not only supports regional development, but also facilitates the creation of a conducive commercial environment for regional businesses and enterprises in the competitive global economy.

Our efforts in these areas extend outside of CARIFORUM, reaching out to those countries that make up the French Caribbean Outermost Regions (FCORs), as well as those that comprise the English and Dutch Overseas Countries and Territories (OCTs).

For more information contact us at:

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**Produced by**  
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St. Michael, Barbados BB22026  
Tel. +1(246) 436-0578  
Fax. +1(246) 436-9999  
www.carib-export.com

**Publisher**  
  
TOUTE BAGAI PUBLISHING  


Toute Bagai Publishing  
MACO Magazines  
26 Kelly Kenny Street, Woodbrook  
Port of Spain, Trinidad  
Tel. +1(868) 622-0519  
www.macomag.com  
www.macocaribbean.com

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# message from The Chairperson of the Board



*Building Economic Resilience in the Caribbean* is more than just a theme on an attractive publication; it is at the core of the activities of the Caribbean Export Development Agency (Caribbean Export) – an organisation that I proudly serve as Chairperson of the Board. This publication, now in its second edition, not only highlights the tremendous potential that the Caribbean has in terms of international trade, but also the breadth of opportunities available for international investors looking to capitalise on what is arguably one of the best locations in the world.

The natural diversity inherent in the Caribbean is part of the region's competitive advantage. When you review the country briefs of The Bahamas, Barbados, Suriname and the Dominican Republic it will become abundantly clear that the region is a stable environment bursting with creativity and opportunity.

In spite of the challenging economic times of recent years, where we have seen significant changes on a global scale – from the financial crisis, to wars and uprisings causing oil price fluctuations – the Caribbean has maneuvered through a minefield of ammunition to survive and is now on a trajectory of growth.

The *Caribbean Export OUTLOOK*, as the

region's only international trade and export publication, is an important collection of articles, views and reports, which raises awareness of key industries such as medical tourism, renewable energy, financial services, and the creative industries. It is one of a number of initiatives by Caribbean Export to drive regional private sector development and support investment to the region.

Over the past five years, the Agency has been implementing the Regional Private Sector Development Programme (RPSDP) funded by the European Union's (EU) 10th European Development Fund (EDF) for which we are deeply grateful. The funds have facilitated export development initiatives across industry sectors, such as agro-processing, creative industries, renewable energy and tourism. They have also been utilised to provide over 312 firms with financial grants to develop and enhance their business operations and to start or expand their exports while utilising the benefits of the EU-CARIFORUM Economic Partnership Agreement (EPA).

Moving forward, the Agency is committed to enhancing the competitiveness and value of Caribbean brands, and it is our vision that this publication will contribute towards fuelling Caribbean private sector development.

**Donnalee Bowe**  
**Chairperson of the Board**

The Caribbean Export Development Agency



# message from The Executive Director



One year ago, Caribbean Export launched the inaugural edition of the *Caribbean Export OUTLOOK* to respond to the needs of the private sector and our various stakeholders for market information on trade and exports. We recognised that with such a dearth of information, our exporters were limited in their awareness of trends in export markets, and that individuals interested in CARIFORUM products had no single source through which they could discover the excellent products and services of our small and medium sized enterprises (SMEs). Through the OUTLOOK, we have sought to bridge this gap in the market at both ends.

In the first edition, we highlighted key markets for exporters, including select countries in West Africa, Germany and Brazil, while in this edition our attention focuses on the burgeoning interest in Cuba and China as potential markets. Moreover, attention to this publication has been increasing. To date, our readership spans the Caribbean and beyond, with the United States, the United Kingdom and Canada among the top 10 countries that have demonstrated interest in the online English version. In addition, the Spanish version is not only read in the Dominican Republic, but also in Mexico. With an online distribution in excess of 22,000 individuals – and growing – we are again reminded of the strong appeal of Caribbean brands.

Enhancing the competitiveness and value of

Caribbean brands continues to drive us as we implement the RPSDP under the 10th EDF. As such, we have specifically chosen to focus this publication on key sectors such as agribusiness (primarily cocoa), creative industries (specifically music), renewable energy, financial services and specialty tourism (mainly medical tourism). However, we must continue to tackle the systemic challenges associated with doing business in the Caribbean, such as high energy costs, limited access to finance and intellectual property rights protection, which are highlighted in this year's publication. We have also included a feature on the proposed Caribbean Creative Industries Management Unit (CCIMU), which is envisioned to respond to the needs of the regional creative sector and will address issues such as data collection, access to finance, trade and export development and the protection of intellectual property.

The featured exporter this year is none other than Dr. Ralph 'Bizzy' Williams who started his first company, Terrapin Racing & Developments Ltd in 1972 and since then has expanded to nine other companies that export all throughout the Caribbean. His experiences will provide exporters with an inside view of what it takes to build a Caribbean brand.

We hope that you will enjoy this year's edition as we continue to celebrate and support Caribbean exporters.

**Pamela Coke Hamilton**  
**Executive Director**

The Caribbean Export Development Agency

# message from Delegation of the European Union to the Eastern Caribbean Countries, OECS, CARICOM/CARIFORUM



The publication of this the second edition of *Caribbean Export OUTLOOK*, under the theme '*Building Economic Resilience in the Caribbean*', comes at a most opportune time in the development of the region. On the one hand, a few economies are showing signs of recovery from the ravages of the global financial and economic crisis. On the other hand, some continue to struggle at revitalising their main productive sectors, while simultaneously trying to reduce fiscal deficits and reign in domestic debt. While the global rankings of several countries, as measured by the Global Competitiveness and Doing Business Indices, have improved, the rankings of others have declined. There is therefore an obvious need to continue to lay and cement a solid foundation for sustained and inclusive social and economic development in the Caribbean.

I am happy to say that the articles in this publication present an overall positive outlook for the development of regional trade and export, the expansion of the regional private sector and, by extension, the enhancement of the prospects for regional economic growth. Contrary to the impression sometimes given in the various media reports and academic articles, there are sectors, sub-sectors, firms and entrepreneurs in the Caribbean that are emerging, growing and

thriving. This publication and others produced by Caribbean Export, seek to highlight the tireless effort being made by national governments, regional and sub-regional administration and organisations, as well as private sector actors in advancing investment, competition and innovation, among other things.

The EU has been a reliable and dedicated partner in this effort, providing valuable direct and indirect technical and financial support at all levels. Over the past two decades, we have partnered with Caribbean Export in the development of the regional private sector. This partnership has included improving the environment for doing business, strengthening business support organisations, as well as assisting entrepreneurs, firms, clusters and regional industry associations. And we are not finished yet. Under the 11th EDF, the EU is providing €102 million, for the period 2014-2020, to the Caribbean region to continue its support specifically for regional economic cooperation and integration, including private sector development.

We congratulate the Board, Management and Staff of Caribbean Export on yet another publication and look forward to continuing our successful collaboration in the future.

**His Excellency Ambassador Mikael Barfod**

Delegation of the European Union to the Eastern  
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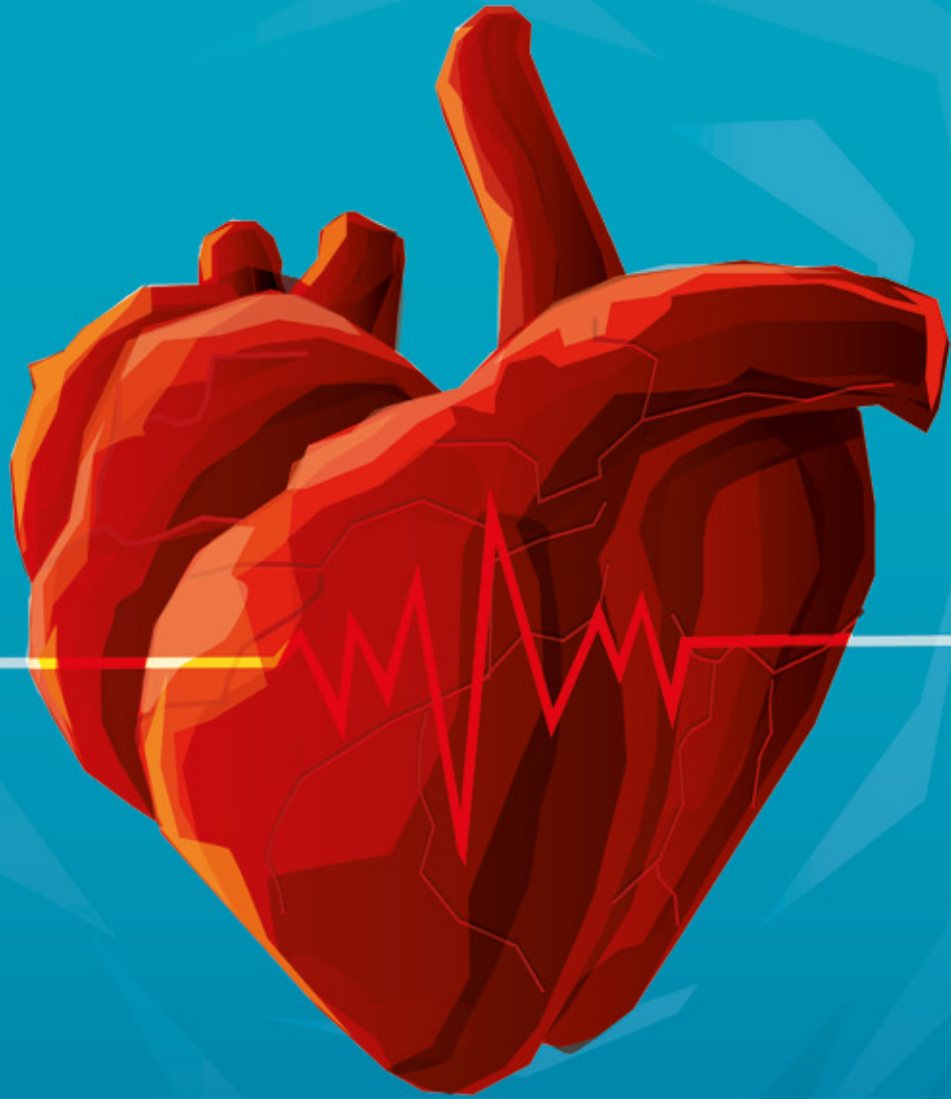
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# pulse of the caribbean







# Examining the Region's Export Performance

BY PAMELA COKE HAMILTON

Recent data has shown that the CARIFORUM economy has grown over the last year with an increase in exported goods to all regions except Africa. While this is good news, it is tempered by the fact that exports remain concentrated in a few sectors and the region continues to suffer from low productivity and weak linkages to global value chains. Efforts to reform the business environment and increase regional competitiveness have led to some Caribbean economies' improved ranking on the World Bank's Doing Business Report 2016. Jamaica (64 in the global ranking), Saint Lucia (77), and Trinidad and Tobago (88) have witnessed the highest rankings in the region. Despite this improvement for a few countries, the regional average still lingers at 108 out of 189 countries.

In 2013, exports from the region totalled US\$51 billion, but there was an overall trade deficit of US\$11 billion. Exports from the region still accounted for less than 1% of global exports. While, as a region, we have not been able to eliminate the deficit altogether,

the data does show positive movement. Between 2009 and 2013, the region grew its exports to the EU by 2%, to Latin America by 41%, to North America by 11%; and intra-regionally by 9%.

This level of growth is laudable as the average export growth rate for CARIFORUM remains higher than that of other regions. The region's trade performance is highlighted by growth in goods and services exports by 17% and 12% respectively. As a percentage of Gross Domestic Product (GDP) the region's services exports at 36% was almost double that of goods exports (17%). The services sector was the greater contributor to GDP for the majority of CARIFORUM countries, particularly those from the Organisation of Eastern Caribbean States (OECS).

In terms of the share of services trade, the largest services exporters from the region were the Dominican Republic followed by Trinidad and Tobago, The Bahamas, Jamaica, and Barbados. While data on trade in services is not readily

available, tourism, which is the main services sector for the region, grew by 2.3% earning US\$28 billion in 2013.

A closer look at the region's export performance by sector gives us a better understanding of where the opportunities for expansion exist and the direction in which we should be moving.

## Agro-Processing

The agro-processing sector, although only totalling US\$2.2 billion in 2013 and representing 7% of global exports, has significant potential that we are yet to sufficiently capitalise on. Export data out of the agro-processing sector suggests that the CARIFORUM region is not taking full advantage of the opportunities to supply the world's top demanded agro-processing products. When it comes to intra-CARIFORUM trade, the region currently supplies only four of the top 10 demanded products; the statistics are



In 2013, exports from the region totaled US\$51 billion, but there was an overall trade deficit of US\$11 billion.

the same for Asia and North America, while for Latin America the region only supplies three of their top 10 demanded products. Some of the products demanded by these markets, which the Caribbean currently produces but is not capitalising on, include non-alcoholic and alcoholic beverages, juices, cocoa and chocolates, hot sauces, and biscuits.

There are, however, positive movements in the sector. The regional export of agro-processed products has grown an average of 6% between 2009 and 2013. The main exports include food preparations, sugar and confectionery; fruits and nuts; and beverages and spirits. The key markets for these goods were North America, Europe and intra-regional. To continue along this growth path the region must look at ways to capitalise on the growing demand for goods that we can supply. Interestingly, the Caribbean is a net food importer with a food import bill of US\$4 billion. An in-depth analysis would suggest that the most important market that the Caribbean is failing

to fulfill demand is right here at home. Perhaps exploring this market ought to be our first order of business. Following this, we must find ways to move away from our traditional markets, which are continuing to shrink and move towards newer markets such as Latin America and Africa.

CARIFORUM, for example, produces seven of the 10 most demanded products in Africa which is the largest growing market. These items include tobacco products, alcoholic beverages, cigars, preserved fruits, food preparations, prepared fish, and animal feeds. However, the region is not fully exploiting this market. CARIFORUM only exported 3.7% of tobacco and 0.01% of cereals and alcoholic beverages to Africa in 2013. In fact, CARIFORUM exports to Africa declined by 24% between 2009 and 2013.

While the Caribbean exports agro-processing products to the US, there are still unexploited opportunities. For example, hot pepper sauce is a

more than US\$1 billion annual market and globally the demand for this commodity has grown at a rate of 9.3% annually over the past decade. This is another product that is well suited to our agro-processing sector. However, despite having hot sauce producers in almost every CARIFORUM country, the region is not benefitting significantly from the growth in the hot sauce market in the US.

Cocoa and chocolate are two other products with huge opportunities for CARIFORUM to supply given the significant demand worldwide, especially in select European markets.

## Creative Industries

The Caribbean should also focus its attention on the global creative and cultural industries which was estimated to be valued at US\$1.8 trillion in 2010. In a 2010 study of the creative sector in Europe, 6.8% of GDP (approximately €80 billion) was attributed to the creative industries.





Despite our rich heritage and the demand for Caribbean culture, arts and crafts, this sector only registered US\$482 million in exports in 2013.

The regional exports of creative goods grew an average of 5% between 2009 and 2013 (marginally higher than the global average 4%) with music, specifically performing rights as the main service exported. However, more than 90% of royalties for Caribbean artistes remain uncollected because the region does not have the infrastructure and monitoring mechanisms in place to enforce payment, resulting in a loss of export revenue.

Wood furniture has become the largest low-tech sector globally, surpassing other sectors such as garments and clothing, and was estimated to have reached a global market size of US\$117 billion in 2012. There is demand in the EU, Latin and North American markets and intra-regionally for wooden furniture. Between 2001 and 2008, the Caribbean Community's (CARICOM's) furniture export sales grew by 4% annually, albeit much slower than the global rate.

Globally, the US is, by far, the single largest furniture importing country and in 2011, it imported furniture valued at US\$12.4 billion.

This is followed by the EU, in particular Germany (US\$5.9 billion), France (US\$4.5 billion) and the United Kingdom (UK) (US\$3.5 billion) within that market. These three European countries combined present a market opportunity of more than US\$11 billion for the wood furniture sector.

## Tourism

In the tourism sector, CARIFORUM exports grew by 2.3% in 2013 with 25 million stay over visitors and US\$28 billion in total receipts. This represents an increase of 5% for stay over visitors over 2012. Overall, when compared to other regions globally, the performance in the Caribbean is below the global average of 5%. In 2013, Africa and Europe both posted growth of 5%, while the Americas experienced 3% growth.

While North America and Europe remain key source markets for tourists, tourism arrivals from South America grew by 13% in 2013 to 1.5 million visitors, representing the market with the largest growth. Member countries should use this data to adjust their strategies to attract more visitors from these markets and hence build a more sustainable and diverse tourism product.

In order to keep this sector alive, the region cannot continue to sell tourism the way it did 30 years ago. There is a need to adapt and seek out non-traditional markets such as China for visitors and to develop niche sub-sectors within our tourism industry. This is especially important when we recognise that services exports continue to be the largest contributor to foreign exchange earnings and economic growth in the region.

## Diversification

In order to strengthen our economies and become more resilient, we must not simply look to improve our performance in these key sectors outlined above, but we must also diversify into other sectors which hold promise for growth.

Renewable energy is a great example of a potential growth sector for the region. The World Bank, in its report on building competitive green industries, has identified opportunities for developing countries, including SMEs in onshore wind, solar photovoltaic, and small hydro-electricity generation. Electric vehicles and bikes also present opportunities for SMEs. According to the report, global investments in clean technologies including renewable energy



is estimated to be US\$6.4 trillion, of which an estimated US\$1.6 trillion is available to SMEs.

Similarly, specialty tourism such as medical tourism has not been fully developed in the region and this offers another opportunity for diversification. In 2012, an estimated 1.6 million Americans travelled to other destinations for more affordable medical services. Two trends in the American market are responsible for the boom in medical tourists; an aging population of baby boomers and tens of millions of uninsured or underinsured patients in the US. Given the proximity of the region to the US or even the EU, the Caribbean can position itself to capture a niche segment of the medical tourism market away from traditional destinations such as Thailand or India. However, we must adjust our services to meet the needs of such tourists.

## Challenges

Even as we look at maximising our high-priority sectors or diversifying into new sectors, there remain challenges that prevent the region from truly establishing itself as a global leader. In the agro-processing industry, for example, the issue of a consistent supply of quality product remains a deterrent to entering new markets. Also many agro-processed products do not yet meet global food safety requirements and, as such, cannot be exported. In tourism, the issue of affordable and reliable intra-regional transportation continues to deter visitors and is a major handicap to the expansion of the sector. Limited access to finance, the poor coordination of services to truly position the creative sector as a major contributor to GDP

earnings, the lack of understanding of intellectual property issues are all challenges that continue to impact on regional trade and exports.

Achieving growth and expansion will also depend on the region's ability to take advantage of the various trade agreements to which it is signatory.

On one hand, CARICOM has signed a number of bilateral agreements, including with the Dominican Republic, Colombia, Venezuela, Costa Rica and Cuba. Unfortunately, these agreements have resulted in very little trade and exports of CARICOM goods and services to these countries. The EU's Economic Partnership Agreement (EPA) is by far the region's best performing trade partnership, accounting for about 17% of our total exports. This is almost three times the total exports from the other countries with which CARICOM has bilateral trade agreements. What this data reveals is that our private sector has not found a way to effectively utilise the potential presented in these trade agreements.

## Caribbean Export's Support

As such, Caribbean Export, under the 10th EDF has sought to address the barriers SMEs face through a number of strategic initiatives. For example, one of the key interventions that the Agency uses to provide firms with access to finance is the Direct Assistance Grant Scheme (DAGS) which provides SMEs that are export ready with much needed capital. For nearly a decade, under the 9th and 10th EDF, Caribbean Export has awarded 479 grants valued at some €8.5 million to SMEs and BSOs in all 15

CARIFORUM states. In addition, we have been working on an initiative to build a Regional Angel Investor Network (RAIN) to offer SMEs another option for accessing finance for their businesses.

Beyond limited access to finance, the inability of many Caribbean exporters to respond to demand in potential target markets has its origins in a variety of factors: weak managerial capacities, lack of market intelligence, weak productive capacities, weak product innovation (linked to intellectual property rights), inability to fulfil quality standards, regulatory barriers to market entry and lack of viable business contacts. Export-oriented SMEs are particularly affected by these and other obstacles to their export competitiveness. In order to help export-oriented SMEs overcome these obstacles, Caribbean Export has developed and introduced the HELIX model, a phased approach combining diagnostics with capacity building and a wide variety of concepts and tools. The model's main components are: the HELIX enterprise diagnostic tool, the ProNET modular training programme (for SMEs that want to improve their export competitiveness), coaching and technical workshops, and branded platforms that provide market access support. For more about our services, please review our suite of services at the end of the publication.

The improvement and growth of exports for all CARIFORUM countries, both intra-regionally and extra-regionally, continues to be one of our key priorities. We will continue to tailor our work programme to meet the exporters where they are, while being agile enough to also explore and facilitate new windows of opportunity for regional exports.





# The Bahamas: A Sustainable Recovery at Last?

BY DR. PETER CLEGG







The Bahamas is one of the richest countries in the Caribbean region, with a Gross National Income (GNI) per capita of approximately US\$20,000. The economy is underpinned by tourism, a sizeable ship registry – among the largest in the world in terms of gross tonnage registered – and a vibrant offshore financial sector. However, the last few years have been challenging for the economy in the aftermath of the global financial crisis. The economy shrunk by 2.3% in 2008 and by 4.2% in 2009.

Since then, the recovery has been slow and uneven.

The economy has recorded growth, but the best performance came in 2012 with a 2.2% expansion. In the last two years, 2013 and 2014, growth regressed to 0.02% and 1% respectively. The offshore financial industry recovered well, with an increase in the number of

trusts and banks registered, but the performance of the high-value stopover tourism sector has been a concern. In 2006, total arrivals amounted to 1.6 million, but by 2009 that figure had fallen to 1.3 million. In 2014, the number was 1.4 million.

Stopover arrivals have been hit by a slowdown in growth and demand from the vitally important US market (accounting for about 80% of all arrivals), greater competition from other Caribbean destinations, and some decline in airlift and room capacity. In response, the government has backed several tourism promotion initiatives, such as the Companion Fly Free programme. It is hoped that with an increase in tourist arrivals, continuing strong

performance in the offshore financial services sector, and a healthy level of construction activity, growth will increase to 2.8% in 2015 – the best figure for almost a decade.

It is anticipated that with a more rapidly growing economy, the unemployment rate will decline; so far it has not. Unemployment was 7.6% in 2006 and since 2009 it has hovered around 15%. The tepid recovery has not been sufficient to significantly boost the demand for labour. Another outcome of the slow recovery has been the declining fiscal position. Since 2009, the government has been running relatively

It is anticipated that with a more rapidly growing economy, the unemployment rate will decline; so far it has not. Unemployment was 7.6% in 2006 and since 2009 it has hovered around 15%.

high fiscal deficits, although they have fallen from 6.7% in 2012 to 4.8% in 2014, assisted by higher business and professional fees. Another step towards greater fiscal consolidation was the launch of a 7.5% Value Added Tax (VAT) in January 2015 (although the original plan was for a 15% rate). The introduction of VAT has been complemented by efforts to strengthen tax efficiency and collection. Nonetheless, public debt is still growing, and is close to 70% of GDP; in 2005, the figure was 35%.

The country's trade profile was also affected by the global financial crisis and the subsequent slow recovery. Both the value of imports and exports declined after 2008 and it was not until 2011 that a full revival was seen. During this

period, the balance of trade deficit also fell, but picked up from 2011 when imports recovered. Despite a sizeable services trade balance the Bahamas runs a large current account deficit, which amounted to 22.1% of GDP in 2014.

The key trading partner for the Bahamas is the US, representing over 80% of total trade. Other important export markets are the UK, France, and Canada, while sizeable imports come from Puerto Rico, and Trinidad and Tobago. Trade between the Bahamas and Caribbean Community (CARICOM) countries is very small,

with the region representing only 2.6% of total imports and less than 0.25% of exports; and the range of products traded is limited – primarily oil products imported from Trinidad and Tobago and sea salt exported to Jamaica.

Although the Bahamas economy is improving, assisted by the US recovery, growth is still relatively anaemic, unemployment remains high, and both the level of debt and current account deficit need to be tackled. In response, the International Monetary Fund (IMF) has suggested a range of reforms, including finalising and implementing the National Development Programme to accelerate medium-to-long-term economic and social development, and the diversification of the economy. It has also urged the government to ease restrictions on labour mobility and to modernise the state-owned energy sector, as power outages are a growing problem. So although the economy is improving, further action is required to make the recovery truly sustainable.

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# Barbados:

## Exploring New Economic Pathways

BY DR. PETER CLEGG



Port Ferdinand







## The past few years have been exceptionally tough for the Barbados economy. It appears that growth will pick up – perhaps by 1% in 2015 and 1.5% in 2016.

Within the Caribbean, Barbados has a long established reputation of being economically successful and enjoys a very high level of human development. In the 2007/08 Human Development Index (HDI), published by the United Nations (UN), Barbados was ranked 31st out of 177 countries – the best performer in the region. However, the latest index from 2014 places the country 59th out of 187, with a high, as opposed to very high, level of human development. Barbados is now the third highest-ranked country in the region after Cuba (44) and the Bahamas (51). Although the HDI is just one measure of a country's performance, it does reflect the real difficulties Barbados has faced since the 2007/08 global economic crisis.

Since 2009, Barbados has struggled to achieve any real growth. After a 4.1% contraction in that year, GDP growth figures were 0.3% (2010), 0.8% (2011), 0.2% (2012), 0.3% (2013), and 0.0% (2014). A key reason for the tepid growth was the underperformance of the country's main economic driver, tourism. In 2007, stop-over tourists amounted to 572,937; in 2014 the figure was 519,598. Other sectors, including construction, mining, quarrying and sugar, also struggled.

The results of poor economic growth and reduced government income were larger fiscal deficits and an associated worsening of the level of public debt. In 2007, the fiscal deficit was 0.9% of GDP and it grew steadily, reaching 11.2% in 2013. Because of the high deficits, public debt rose from 51.4% of GDP in 2007 to an estimated 97.8% in 2013. Unemployment also increased from 7.4% in 2007 to 11.6% in 2013. Thus, the Barbados government

is tasked with implementing a twin-track approach of reviving the economy and reducing the unsustainable fiscal deficit, and is looking at new ways to do this.

One priority area for the government is the international business and financial sector, which saw a dip in performance in the aftermath of the economic crisis, but at its height contributed 20% of GDP. In early 2015, Minister of Industry, International Business, Commerce and Small Business Development, The Honourable Donville Inniss said the government had agreed a paradigm shift was needed in the sector. A range of initiatives is therefore being implemented to that end. For example, a multi-year licence for International Business Corporations (IBCs) has been created; a new Business Facilitation Unit has been established; further funding has been awarded to Invest Barbados; and the country is expanding the number of Double Taxation Agreements (DTAs) with other countries. Also, the Central Bank has implemented interest rate liberalisation for the commercial banking sector, and attempts are being made to enhance mobile and Internet banking services. Despite efforts to strengthen regulatory standards in the sector, it is highly vulnerable to external pressures – as was seen in June 2015 when Barbados was branded a non-cooperative jurisdiction on tax matters by the EU.

Another priority is boosting tourism by focusing on new source markets and expanding luxury tourism (the Sandals hotel brand was introduced in 2013). These efforts, combined with an increase in airlift, have seen a sharp increase in

long-stay visitor numbers. The World Travel and Tourism Council noted recently that tourism's role in the economy will grow over the medium-term, facilitated by new initiatives in eco-tourism and sports and cultural tourism. Other areas of interest include offshore oil exploration and education services.

Regarding the fiscal deficit, a range of strategies has been implemented, encompassing adjustment, reform, recovery and sustainability. They include: reducing the public sector workforce, implementing a public sector wage freeze, expanding the range of items covered by the standard VAT rate of 17.5%, and introducing a mobile airtime excise tax. A new Barbados Revenue Authority was also established in 2014. The initial impact has been positive, with the fiscal deficit falling to 6.6% of GDP in 2014. However, more spending cuts and revenue-raising measures will be required. The IMF, for example, has called for further restructuring of public enterprises as they "pose a major fiscal risk . . . and many are providing services without any link to overall costs or objectives".

The past few years have been exceptionally tough for the Barbados economy. It appears that growth will pick up – perhaps by 1% in 2015 and 1.5% in 2016 –, helped by a recovery in tourism and offshore financial services. Indeed, the government is exploring new avenues to bolster these sectors and others. But the nascent recovery is fragile and serious problems remain, and there are question marks over whether deeper fiscal retrenchment will be politically sustainable.

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# Suriname: Can the Existing Economic Model Endure?

BY DR. PETER CLEGG



The clear victory for President Dési Bouterse and his Nationale Democratische Partij (NDP) in the May 2015 general election was a vindication of the economic programme of the previous NDP-led coalition government. On assuming office in 2010, it implemented a number of key macro-economic reforms, while also dealing with several important underlying social issues related to poverty and inadequate access to health and education services.

Reforms included unifying the foreign exchange market, restoring price stability (inflation is under 5%), and strengthening the regulation and supervision of the financial sector. In addition, credit streams to the private sector grew and the tax base is anticipated to be broadened with the implementation of a Value Added Tax (VAT).

The economy was also supported by record royalty payments from Suriname's major mining operations, and new foreign investment in this sector (for example, the building of a gold refinery). In addition, the government undertook a number of high-profile infrastructure projects, including paving the main east-west road and increasing the affordable housing stock.

In relation to the overall economy, growth rates have been relatively high – certainly compared to other countries within CARICOM – with expansion of 2.9% in 2013 and 3.5% in 2014. All sectors contributed positively to growth in 2014, except mining and quarrying. Mining, although a key sector, was affected by lower commodity prices, including for gold which contributes approximately 18.5% of the country's

GDP, and the depletion of bauxite mines in the south of Suriname. The best performers were the small hotel and restaurant sector (7.4%) and the construction sector (6.8%).

In addition to maintaining a growing economy, the government has made significant efforts to improve the living standards of many working-class families. This was done through a range of reforms, such as increasing pensions from US\$78 to US\$145 a month; raising the monthly child allowance from under a dollar to over US\$13; passing the Minimum Wage Act; and introducing

## The economy is expected to grow by a fairly healthy 2.7% in 2015 and 3.8% in 2016.

free school meals and after school care. As a result, many Surinamese have seen real improvements in their standards of living.

The economy is expected to grow by a fairly healthy 2.7% in 2015 and 3.8% in 2016. But there are some concerns about aspects of the economy looking forward. Suriname's high dependence on gold for its foreign exchange earnings is an area of weakness – gold amounted to 57% of total goods exports in 2012. If commodity prices remain subdued, then as happened in the last couple of years, export earnings will decline. This, in turn, will have an impact on government revenues and the current account which moved into deficit in 2013 and 2014. Foreign currency reserves have also been placed under some pressure – reserves have dropped from over US\$1 billion in 2011 to under US\$500 million today.

The increased level of social spending that has taken place in recent years has, of course, exacerbated the situation. Relatedly, the number of workers employed by the state has risen – more than 60% hold public sector jobs – and that is an added burden on government expenditure. Further, the government has taken an increasing stake in key sectors such as gold, oil, and bauxite, which will place greater obligations on the state to provide the required investment, although there are plans to privatise some state enterprises and improve the management of others. Nonetheless, the cumulative effect of higher spending and lower revenues has been an increase in government debt. Indeed, debt is expected to increase from 30% of GDP in 2013 to 40% by 2019.

President Bouterse showed in his first term that it is possible to strike a balance between investing in social programmes and managing the economy in a generally effective and pragmatic way. It is likely that this approach will be maintained, and it might be easier to do this without the competing interests of a multi-party coalition as existed previously. However, there are warning signs and it would not take much – a further decline in commodity prices, for example – to knock the economy off balance. Moreover, according to Transparency International's Corruption Perception Index of 2014, Suriname was ranked 100th out of 175 countries, demonstrating that greater attention needs to be placed on good governance. This would ensure that any gains made at the economic level are managed effectively.



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# Dominican Republic: Achieving Sustainable Growth



BY DR. PETER CLEGG

Over the past 20 years, the Dominican Republic economy has performed very well, with GDP growth averaging around 5.5% since the early 1990s. This strong performance is being sustained. According to the country's Central Bank, growth in 2014 was 7.3% - the best in the Americas. Although the economy is not expected to expand as much in 2015, it is projected to remain at above average levels, at 6%. The economy is generally experiencing growth across all sectors, but particularly in mining (20.3%), construction (13.8%), and hotels, bars and restaurants (7.5%). The mining sector has profited from the launch of operations at

Barrick Gold Corporation's Pueblo Viejo project, with gold and silver exports soaring (by 524% in 2013). Gold now constitutes about 15% of total goods exports. Meanwhile, the country saw a record number of tourist arrivals (5.1 million) in 2014 – a 9.6% increase year-on-year. This was due to strong growth in travel from the United States (US), the main source market.

Growth has been assisted further by strong consumer spending, public investments in education and health (mainly in relation to infrastructure), increasing loans to the private sector, which have benefitted construction

works and small businesses, and a managed, slow depreciation of the peso, which is likely to continue. Also, the value of remittances from Dominicans living abroad continues to increase; in 2014, the figure was US\$13 billion or about 7.5% of GDP. Alongside these developments, inflation is low, the current account deficit is in single figures, and the country's investment rating was upgraded at the end of 2014 by the international rating agencies.

The positive situation at home is mirrored abroad with the government and private sector taking steps to increase the country's trading





## Meanwhile, the country saw a record number of tourist arrivals (5.1 million) in 2014 – a 9.6% increase year-on-year.

presence in the Americas. Recently, relations have been boosted with several neighbouring countries including Puerto Rico, the Bahamas, and Trinidad and Tobago. The government signed a raft of agreements with Puerto Rico in January 2015. The most important of these include deals that: allow the Dominican Republic to provide parts for Puerto Rican finished goods that are then sold to the US government, via the Buy America Act; allow Dominicans studying in Puerto Rico to pay the same fees as local students; and encourage better management of natural resources. These and similar agreements aim to strengthen the country's economic and trading profile and to maximise its role in the Dominican Republic-Central American Free Trade Agreement (DR-CAFTA).

As a result of this strong performance and the credit given to President Danilo Medina, the National Assembly passed a constitutional amendment in June 2015 allowing presidents

to stand for a second consecutive term. However, even with the many positive aspects of the economy and the political support that has accompanied that, there are several issues which the authorities must address in order to ensure that the progress made so far does not falter.

In a recent World Bank report, 'Fostering Dynamic Growth of Exports in the Dominican Republic', it was noted that the country remains highly dependent on the US and Haiti for its exports – about 70% of its exports go to these two countries. Further, the report stated that growth in exports since 2000 has been below that of Colombia, Honduras, Costa Rica, and El Salvador. The World Bank therefore recommended that the Dominican Republic improve the quality of its farm produce, bolster its duty-free manufacturing export sector, and open new markets.

Other concerns include rising debt, which the

International Monetary Fund (IMF) estimates will be 50% of GDP by 2016. In a related issue, the tax system is hampered by low revenue collection and a heavy reliance on indirect taxes, which means it is both regressive and unable to provide the necessary resources to improve basic public services. As inequality in the country is high and has actually increased since 2000 (32% then, compared to 41% in 2011), reforms to the tax system and the delivery of public services would bring tangible improvements for many. The country also still suffers from frequent power outages, caused by inadequate investment, and the widespread theft of electricity.

The Dominican Republic has made significant progress in recent years to strengthen not just its domestic economy but also its regional trading position, and this is expected to continue. However, more needs to be done to incorporate all Dominicans into this success story.



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# Perspectives on the Caribbean Region: Conversations with a Prime Minister

BY STEPHANIE L BISHOP





Caribbean countries are small open economies that are dependent on trade and investment to lessen the impact of their debt burden. As a result, the region has chosen an export strategy to propel their economies.

There is a lucid and inescapable strain worldwide amid the demands for employment, improved wages and living conditions today, and the environmental sustainability of the trade and economic policies implemented, to achieve these demands. This anxiety is particularly acute in many small island developing states, and certainly within the Caribbean. During a recent interview with *Caribbean Export OUTLOOK*, the Prime Minister of The Bahamas, the Honourable Perry Christie, shared his perspectives on trade and export development in the Caribbean, and how this could be used to address poverty in the region. The discussion also focused on export-led growth, the current state of regional, extra-regional and international trade, regional integration, and export competitiveness.

In discussing export-led growth and its viability as a vehicle for sustainable development within CARIFORUM, Prime Minister Christie shared that the approach is critical to ameliorating the high levels of debt that currently confronts many Caribbean states, and that it would contribute to a reduction of poverty, through the creation of jobs particularly among youth and women.

“Caribbean countries are small, open economies that are dependent on trade and investment to lessen the impact of their debt burden. As a result,

the region has chosen an export strategy to propel their economies. In many cases, Foreign Direct Investment (FDI) fills in the gap for domestic investment and enables the country to take on more expansion than could otherwise be accommodated using entirely domestic funds. The region has witnessed higher debt to GDP ratios over the years. The issue, however, is debt sustainability, and therefore an export-led economy is critical to ensuring that reduced debt levels with growth.”

In The Bahamas, for example, there has been an increased debt burden over the last decade with debt to GDP entering the 60%-plus levels. As such, foreign exchange earnings are critical to maintaining the stability of the Bahamian dollar. Therefore, FDI is an important component of the Bahamian economy, but must be managed better to ensure the maximum benefit to the country.

Prime Minister Christie also noted that regional integration processes, like the CARICOM Single Market and Economy (CSME) are supportive of an export-led growth agenda. He further charged that as the country’s political leader it was important for him to ensure that the Bahamas supported the regional integration process.

“We became an active member of the various

Caribbean groupings negotiating the various agreements. The country’s financial services sectors are also integrated, with regionalisation of many operations. Our tourism product features regional brands, our grocery stores contain regional products, and our accounting firms are more regionalised. In more recent years, as we prepare for global integration, the introduction of a Standards Bureau and other institutions will be key to ensuring that Bahamian products make it to the wider Caribbean.”

But in order to maximise on the benefits of trade arrangements and regional integration, the Caribbean must first overcome the challenges currently faced in intra-regional trade.

“Some of the major obstacles we face in increasing trade include deficiencies in key economic structure, such as trade-related infrastructure, particularly intra-CARIFORUM maritime links and maritime links to non-traditional markets; and the cost of energy and transportation, as well as the underutilisation of Information and Communications Technology (ICT), for instance when it comes to facilitating e-commerce. Then there are productive capacity challenges within the private sector, like access to finance, the absence of research and limited innovation, and market research. The region also faces competitive issues,



At the national level a number of Caribbean Countries have put legal and other policy instruments in place to provide incentives to support trade and investment in key sectors.

supply side and logistical challenges, market access barriers, and weak business facilitation and a sometimes unwilling business culture. If we are serious about long-term growth as a region, we have to address these deficiencies.”

He further revealed that a more integrated approach to trade could be a catalyst for overcoming these challenges, but a divergence of interests among Caribbean countries with respect to market and product orientation, limited awareness of regional markets, and a competitive business culture, as opposed to one that is collaborative, is a major deterrent to achieving this goal. The two-time Prime Minister

however shared that his vision for CARIFORUM, as it relates to international trade, takes into account trade in both goods and services, and the establishment of strategic partnerships.

“Trade in goods must be based on strategic positioning along the supply chain for those goods which can be produced and traded competitively, and trade in services development must exploit our national competitive advantage including cultural services. We must also create and participate in strategic alliances such as the CARIFORUM-EU EPA, trade agreements with North America and, increasingly, South-South Trade. CARIFORUM has a vested and strong



interest in developing and promoting trade along the latter, because it can contribute to the export diversification of regional goods and services, boost export volumes and values, and expand the domestic market into a larger regional market, which can serve as the basis for developing export competitiveness."

Prime Minister Christie noted, however, that this has not been fully realised for a number of reasons: the perception that our partners in the South are also our competitors; the region produces the same goods and services and, therefore, erroneously believe that there are little or no opportunities for significant export trade amongst ourselves; and we perceive that our partners in the South are afflicted by problems that we ourselves have in respect of standards, quality, sanitary and phyto-sanitary (SPS) measures, while in other instances transportation, distribution and payment arrangements are well established with developed countries, but not with our partners of the South.

In sharing his thoughts on the state of competitiveness in the Caribbean, Prime Minister Christie believes that complementary

donor support, such as the EDF, has assisted the region in taking advantage of existing and emerging trade opportunities. But creating an environment to facilitate global competitiveness is a work in progress at the national, regional, and inter-regional levels.

"At the national level, a number of Caribbean countries have put legal and other policy instruments in place to provide incentives to support trade and investment in key sectors such as financial services, tourism, cultural industries, and to support the diversification of their economies. At the regional level, policy and legal instruments have been developed to improve the competitiveness of Caribbean countries and firms. These include the CSME and the OECS Economic Union. CARICOM members have also signed trade agreements with the Dominican Republic, Cuba, Costa Rica, Venezuela and Colombia. Additionally, a

number of CARICOM States have signed bilateral partial scope agreements with Brazil, Guatemala and Panama. As it relates to our progress at the inter-regional level, CARIFORUM states have signed the EPA with the EU that provides the framework for investment, trade in goods and services between the two regions, and institutions like Caribbean Export, the Caribbean Regional Organisation for Standards and Quality (CROSQ), the Caribbean Competition, and the OECS Competitiveness Business Unit, have also been established to support export-led growth and to support private sector development and competitiveness."

As it relates to international trade, the socially committed politician sees Caribbean leaders continuing to play a pivotal role in shaping the

## At the national level, a number of Caribbean countries have put legal and other policy instruments in place to provide incentives to support trade and investment in key sectors such as financial services, tourism, cultural industries, and to support the diversification of their economies.

dynamics of the region's performance in this arena. Prime Minister Christie believes that regional Heads of Government recognise the importance of trade to the performance of the economies of their countries, and have acted consistent with that. He added, however, that it must be recognised that success in international trade depends on several factors, many of which are not in the control of leaders. Recognising that market access arising from trade agreements does not necessarily lead to market penetration, Heads of Government, through their trade ministries, are ready to act in support of their export industries by creating the environment for facilitating increased competitive export production.

"Some roles have been partially fulfilled. Recent interactions between CARICOM Heads of Government and the Council of Trade Ministers with the hierarchy of the Caribbean Association of Industry and Commerce (CAIC) have sought

to improve public-private sector dialogue at the regional level. This will be improved further after the Caribbean Business Council (CBC) is operationalised. However, trade, investment and sectoral policies need to be better aligned. Institutional structures for production and export are below acceptable levels and the region needs to usher in a new era of commercial diplomacy that is more aggressive and strategic, with a heavy emphasis on attracting high impact investments into the region in areas such as high-value manufacturing, green energy and high-value services."

The outspoken statesman added that all member states need to be held accountable for implementing their various arrangements under the CARICOM Treaty. The various Councils already exist to provide oversight in this regard, such as the Council for Trade and Economic Development (COTED). Specific to trade performance, member states also need to revisit and implement aspects of the regional trade agenda, such as a common agricultural policy, a common

industrial policy, and the pursuit of production integration in the Community.

Prime Minister Christie further noted that the views of these enterprises were also represented at the Heads of Government level during regional trade policy negotiations and would also serve to facilitate the market entry process. He noted that, at the CARICOM level, the regional and national consultative processes which inform the development of regional trade policy, as well as the negotiating mandates and positions in external negotiations, allow for the full representation and participation of all stakeholders, including business operators in the SME sector.

"COTED, which has responsibility for supervising and articulating the regional trade in goods policy and regime, has institutionalised a dialogue with the private sector and efforts are underway to establish the CBC as a regional private sector





## We need to provide support for business-friendly policies and programmes, which can mainstream trade into sustainable development activities and programmes.

interface with regional policy makers. However, the onus is also on SMEs to organise themselves and build capacity to contribute to the regional trade policy dialogue and negotiations.”

Prime Minister Christie posited that in some ways, the global financial and economic crisis has impacted regional governments’ perception of competition and trade. He believes that the greatest effect has been on economic development and the Caribbean’s ability to take advantage of market access opportunities available under trade agreements.

“Take the CARIFORUM-EU EPA for example. The region has not successfully maximised on opportunities under this Agreement for several reasons, chief among which is the fact that CARIFORUM exports to the EU are concentrated in the mineral and traditional commodity product groups. Further, trade in new sectors is limited

and CARIFORUM has not attained a level of diversification of exports. Furthermore, no monitoring system has been established and this has affected the extent to which the two parties have been able to utilise objective data to take the necessary decisions, which would allow for more success with the Agreement.”

CARIFORUM and the EU recently conducted a comprehensive review of the agreement, and their findings further support Prime Minister Christie’s views on the matter. The review identified a number of challenges as limiting the ability of CARIFORUM firms to exploit opportunities under the EPA. For one, the conversion of market access offered by the EPA into meaningful market presence remains a major challenge for the private sector. This includes the limited productive capacity and supply side constraints as well as the need for trade and investment promotion. Moreover, the

investment and trade in services provisions have not yet yielded the benefits originally envisaged. In particular, CARIFORUM service suppliers have faced problems in taking advantage of the commitments in the EPA, such as those pertaining to the temporary presence of natural persons for business purposes.

The review also revealed a number of existing factors that limited trade between CARIFORUM States and the EU and its outermost regions, specifically the application of the Octroi de Mer in the outermost regions, SPS measures, as well as technical requirements and voluntary standards; market intelligence and knowledge of the business environment and culture; visa requirements; and limited availability or the high cost of air and maritime transportation.

Despite these challenges, the affable politician is

confident that regional businesses can successfully enter European and other new markets if they are knowledgeable about the area and strategic in their approach to business.

"It is important to know your market, as information and knowledge is key; this includes competitors, standards, policies, and distribution channels. You also need to create strategic partnerships and build confidence among your clients and customers through quality, consistency and timeliness. Finally, invest in technology, research and innovation, and then be prepared to adapt or adjust so that changes can be made effectively in the short term."

Notwithstanding all of the work being undertaken by regional governments and agencies to support the trade and export development of the private sector, Prime Minister Christie acknowledges that trade is but one contributor to poverty alleviation and development. He further asserts that regional governments need to ensure that there is policy coherence, meaning that national and regional trade policies complement existing and projected poverty alleviation and development policies. This would necessitate a more strategic and evidence based approach to policymaking across the board. It would also require the

availability of information in the respective policy areas to ensure that across the spectrum of policymakers, it is easier to identify how one set of policies would impact on the other.

"We need to provide support for business-friendly policies and programmes, which can mainstream trade into sustainable development

activities and programmes. Some examples include business development agencies that offer startup funds for enterprises, rural marketing arrangements, investments in education and skills training for entrepreneurs, and implementing trade facilitation measures that enhance the ease of doing business for micro and small business."

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# The Role of the Caribbean Private Sector in Ensuring Economic Sustainability

BY STEPHANIE L. BISHOP

Growth rates in the Caribbean have been, on average, very low for several decades, and have remained below 3% since the most recent global recession. Such low rates of growth have contributed to the persistently high levels of unemployment and poverty in our region, and with more than 21% of our population living below the poverty line, accelerating and sustaining inclusive growth is, arguably, one of the most pressing development challenges confronting our region today. However, one solution to this challenge lies within the region's engine of growth, the private sector.

Expanding economic opportunities is arguably where Caribbean private sector firms have the greatest potential to drive growth within the region. Business activity can create jobs and entrepreneurial opportunities, enable technology transfer, build human capital and physical infrastructure, cultivate inter-firm linkages, generate public revenue for governments, and provide a variety of goods and services to consumers and other businesses. Ultimately, each of these impacts has multiplier

effects on both social and economic development.

In examining the role of the Caribbean private sector in ensuring economic sustainability, *Caribbean Export OUTLOOK* spoke with one of the region's most prolific financial minds, Don Wehby. As the Group Chief Executive Officer of GraceKennedy Limited, Wehby is charged with positioning one of the Caribbean's largest and most dynamic food and finance corporate entities as a global consumer group.

Wehby has been with the GraceKennedy Group since 1995 and assumed his current position in 2011. He took a secondment to the Jamaica government in 2007, where he served his country as a senator in the Ministry of Finance, before returning to lead the full-time charge of one of the region's top business brands.

As an accomplished business executive, Wehby believes that it is the role of the private sector to invest in business relations that will create

increased revenue and profit streams, economic stability, growth, and employment.

"Consequently, the private sector has to be strategic in its investment allocation in people, research, technology, innovation, product development and market diversification, as well as its business relationship regionally. Regionally, business support organisations and individual companies are cooperating in services and trade, especially where synergies can be optimised, and this has helped with regional economic stability."

The affable Jamaican also explained that the private sector must be influential in the development of international trade agreements, public policy, public sector efficiency, and fiscal prudence to ensure the creation and maintenance of a more predictable, socially stable, macro-economic and business friendly environment.

In recent times, the private sector has come

under criticism for not contributing enough to economic sustainability. Wehby noted that while some of the criticism is understandable, it is not always warranted.

"Generally, the private sector has lived up to its role. However, the fact that the region continues to experience low economic growth suggests that more can be done in terms of market research and innovation to broaden the quality and range of products offered internationally."

In addition, more can be done to optimise the benefits of our international trade agreements with some of the developed countries of the world. Furthermore, the Spanish and French Caribbean are an integral part of the Caribbean and more should be done to broaden and deepen these relationships, in terms of services or as a supply source for inputs, or for distribution opportunities extra-regionally.

As the man in charge of a company with interests in so many global jurisdictions, Wehby posited that regional products have some of their greatest market opportunities in emerging markets.

"Apart from the fact that there are great opportunities for more intra-regional business, especially in the French and Spanish-speaking Caribbean, there are significant prospects in Sub-

Saharan Africa and Brazil. At the moment, however, the best opportunity continues to be the major markets of the USA, parts of the EU and Canada."

Wehby also believes that in order to capitalise on these opportunities, the private sector will have to become more cost and price competitive, while paying greater attention to the diversification of product lines, moving up the value chain and adopting best practices in order to build new and existing markets.

"Given the relative small size of most Caribbean economies and businesses, to better capitalise on these opportunities, it might be useful for consideration to be given to national, regional and extra-regional trade alliances including joint ventures, as well as outsourcing production and distribution arrangements. Additionally, the opportunity would be further maximised if there is the requisite investment in brand building and awareness."

As an exporter for over 40 years, the established corporate head had some advice for regional businesses now entering or seeking to enter the global arena.

"It is important to be very competitive in terms of cost and cutting edge, in terms of innovation. As a result, there has to be an increased investment in

innovation, research and development. In addition, a thorough understanding of global quality standards and market entry requirements would help regional firms to satisfy, supply, and service opportunities. It is also very important to decide on products and markets, and then pursue and agree the distribution arrangements that will help the potential exporter to enter the destination market."

Looking forward to the next decade, the former senator and cabinet minister sees the Spanish and French-speaking Caribbean enjoying a larger share of the regional export market in goods and services. He also notes that current trends suggest that the growing middle class and the increased disposable income of the emerging markets of Brazil, India, Malaysia, Turkey, Indonesia and Nigeria will provide new opportunities for the Caribbean region. In order to make the most of these prospects, Wehby urged that there has to be an understanding of the trends and segments that are driving consumer and buyer behaviour and desires.

"Competitive products and services must be designed and developed to address consumer and market segments that are underserved; and getting the products or service into the hands of the desired target involves developing distribution arrangements or alliances that have the strongest connection to the targeted market, supported by an effective awareness strategy."

Stephanie Bishop is a Communications Advisor at the Caribbean Export Development Agency. She is a development communications specialist with over 10 years professional experience and holds a Masters in International Affairs.

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# trade and export hotspots





# Doing Business in Cuba

BY DAWNE PARRIS



A market of over 12 million people is nothing for Caribbean exporters to thumb their noses at. That's the kind of market from which any company in CARICOM would benefit. So when CARICOM and Cuba signed a reciprocal Trade and Economic Cooperation Agreement 15 years ago, it provided exporters in the region with access to millions of potential customers. The reciprocal agreement, which focused mainly on trade in goods, gave duty-free or duty reduced entry to Cuba of specific goods such as fruit juices, sauces, condiments, seasonings, and clothing from the CARICOM region. While the agreement is now, more or less, inactive, several established companies have taken advantage of the opportunity of access to the Cuban market, though not without having to overcome several hurdles.

Baron Foods Limited, a Saint Lucian manufacturing company with a Food Safety System Certification (FSSC) 22000 V3 certified product range of 165 condiments and beverages is one such company.

Five of its condiments and sauces have been approved and accepted for sale in the Cuban market and the company is awaiting a confirmed order from TRD Caribe, one of the largest food

and beverage distributors in Cuba. It's also eyeing the hotel and tourism sector and retail stores.

Chief Executive Officer Ronald Ramjattan says it would have been remiss of his 24-year-old company, which is already in several other markets in the region, not to have looked at Cuba. "Cuba is a new and emerging market with over 12 million inhabitants sharing a similar culture and food preference with the rest of the Caribbean people," he says. "The Cuban market is similar in many aspects to the rest of the Caribbean, even though the Spanish influence does have its fair share of difference from us."

As Ramjattan acknowledged, the benefits are significant for any CARICOM exporter. They include having access to a large, regional market that American competitors can't take advantage of, due to the longstanding US embargo against trade with Cuba. Even though from January 2015, it became possible for Americans to visit Cuba without a specific licence if the visit falls under any of 12 categories, there are still limits to the amount of goods that can be brought into the country in luggage, and shipped by boat from abroad. The

challenges of breaking into and competing in the Cuban market, however, are numerous.

Cuba has one of the world's few remaining centrally planned economies, with the government controlling 90% of the economy. All trade with that country must be conducted through the state. Goods can therefore only be imported into Cuba by government entities and joint ventures holding permits for the goods in question.

The high cost of transportation (both sea and air); legal and institutional differences; and insufficient finance and credit mechanisms are some of the other major obstacles. Added to the strict rules which guide the country's import policy, language was a hurdle for Baron Foods.

"Spanish being the spoken language is one of the main barriers we had to face. The selling terms are completely different too as they are looking for three to six-month credit facilities," says Ramjattan.

Kapril Industries, however, did not have the language barrier problem.



## Quick Reference

The state only does business with established companies that have a proven track record and, ideally, some foreign market experience. Foreign companies are also expected to establish a substantial trade relationship with Cuba for at least three years before being allowed to set up a presence in the island. Individual entrepreneurs or newly-created companies specifically targeting the Cuban market are not considered.

However, approved Cuban entities can be registered as an agent of a foreign company that does not meet that requirement. In this case, a Cuban agent that is authorised as an importer by the Ministerio del Comercio Exterior (Ministry of Foreign Trade) and has registration with the Cámara de Comercio (Chamber of Commerce) would be the consignee of an import shipment.

While these agents and intermediaries can handle goods on consignment for importers holding a licence, they cannot import on their own accord and cannot conduct distribution operations.

Joint ventures with foreign participation, meantime, will generally obtain their import permits through their Cuban partners.



The cosmetics manufacturing company, established in December 2002 by a group of chemistry professionals in the Spanish-speaking Dominican Republic, has been exporting haircare and personal care products to Cuba for the past two years.

The Dominican Republic's proximity to Cuba, the two having similar markets for hair products, and the fact that residents of both countries speak the same language, proved to be an advantage for Kapril.

"The reason for choosing Cuba as a market is that we share similar ethnic groups, being nearby islands and therefore similar characteristics. Also, we share the same climate of the Caribbean region and our products are designed with a 'tropicalised' formula," says Chief Executive Officer Julia Jimenez, who is also the first Vice-President of the Association of Small and Medium Cosmetics Manufacturers of the Dominican Republic (APYMEFAC).

But, just like Baron Foods, Kapril had to go through the long processes required to comply with the country's import rules and regulations,

and they both discovered, having an established product was not enough to break into the market.

"Food and drug regulations form part of the rigid enforcements. Our products had to be submitted for testing and evaluation via their laboratories," the Baron CEO says. Further explaining the process, Ramjattan added: "Firstly, your products must be HACCP certified. Secondly, you have to attend the yearly trade show Havana International Fair (FIHAV). Once your products are accepted, they have to be sent for evaluation at the laboratory. Once the products were approved we had to select one or more government agencies to be the distributor. Finally, selling terms are finalised with the distributor." Similarly, Kapril went through the process of complying with all the necessary regulations.

FIHAV was vital to both companies making headway into Cuba. The annual event is Cuba's largest and most important trade fair. It is attended by several key Cuban decision makers and purchasers who negotiate contracts with foreign suppliers, learn about new technologies and products, meet new exporters and strengthen their relationships







with established suppliers. Given the importance that Cubans place on face-to-face meetings, it is a worthwhile event for potential exporters to assess the Cuban market and evaluate their foreign competition.

"We participated as an exhibitor at FIHAV in 2012 with the support of Caribbean Export. At this event, we received several proposals from different clients; they were attracted by the presentation and characteristics of the products and we were finally selected by one of them as a supplier," says Kapril's Jimenez who encourages exporters who want to export to Cuba to attend the trade show.

To get to the point of being granted access to Cuba, Baron Foods also attended several trade shows facilitated by Caribbean Export. Within the last two years, the company was selected by the Saint Lucia Trade and Export Promotion Agency to actively pursue entering the Cuban market. "This venture definitely pays dividends and has put us to the point where we are today," Ramjattan says.

Doing business with Cuba successfully requires a great deal of planning, as is the case for entering

any market. Even before starting the export process, companies must assess their export readiness, research and select their target market, have a solid medium to long term strategy with the financial resources to execute it, and have sufficient production capacity and flexibility.

When exporting to Cuba, however, businesses must also determine whether the goods they wish to export are controlled, prohibited or regulated, and if a permit, licence or certificate to export is required. "One must be export ready. Packaging and labelling must satisfy the Cuban market and must be able to ship by container loads," Ramjattan adds.

The Oficina Nacional de Normalización (National Standards Office) in Cuba sets regulations for the labelling and packaging of consumer goods. Those regulations are enforced at the port of entry, so products must comply with labelling requirements prior to being imported.

Now that it's ready for its products to hit the shelves in Cuba, Baron Foods acknowledges the

other challenge will be keeping prices competitive, as cheap, Chinese products are very prevalent in the Cuban market.

Kapril has also had to compete with suppliers from more developed countries with well-presented and competitively priced products. But the CEO says the company overcame that barrier by improving its packaging and maintaining high quality to expand its market share.

While it does its part to ensure that the company reaps success in Cuba, as it has locally and in Grenada, Dominica, and Trinidad and Tobago, Baron Foods believes regional governments can do more to help exporters access the Cuban market.

"Governments can continue working with the Cuban administration to establish protocol arrangements for manufacturing firms within the region," Ramjattan says.

For her part, Jimenez says she wants to see a trade agreement signed between the Dominican Republic and Cuba.



# Exporting Your Reputation

## How to outsource customer service without weakening your brand

By Janis Ancic  
Training & Quality Manager for Advantage Communications

Organizations worldwide now spend more than US\$300 billion annually on contact centre services, of which third-party outsourcing accounts for roughly 25 per cent.



Despite its ability to lower operational and labour costs, buyers are still cautious to transition their customer support to an outsourced provider. Many are unsure whether a third party can deliver the same trusted brand experience that their in-house agents can.

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# Specific Market Opportunities for Trade with Cuba

BY BEVERLEY ALLEYNE





Cuba is the largest of the Caribbean islands, occupying an area of 109,884.01 km<sup>2</sup>, including nearby cays and islets. It has five major cities, Havana, Santiago de Cuba, Holguin, Cienfuegos, Camaguey and Santa Clara – Havana being the capital. 10 international airports including one in each of the major cities; 15 national airports, and one railway network to support inter-island travel gives some indication of its size. There is a dual currency monetary system in Cuba of the CUP (Cuban peso) and the CUC (Cuban convertible Peso). The official exchange rate is 1 CUC:1 USD within Cuba, and 1 CUC:26.5 CUP. The CUP is generally used internally by the local population while the CUC is for tourists and the business sector. Reportedly, supermarkets have begun only this year to list prices in both CUC and CUP values, indicative of the planned movement by government towards unification of its monetary system.

A trending business and economic discussion in both regional and international circles is the question of Cuba as the current market of choice for investment and trade. Speculation has been heightened with the recent overtures by the governments of the USA and Cuba towards détente, and business communities are seeking to understand how best and how quickly they can move to engage in trade or investment with this Caribbean island nation of 12 million inhabitants.

The political and economic ethos of Cuba has shaped the character of the market, presenting would-be exporters with the prospect of doing business essentially with the Cuban government as opposed to private sector enterprises. The business model is therefore non-traditional, as the government determines such things as wages, prices, the nature and quantity of imports, and the banking system – all with direct implications to private sector trade. The market must therefore be approached with tenacity to wade through certain levels of bureaucracy that attend monopolistic structures, as well as adaptability to assimilate the necessary strategies for success in the Cuban marketplace.

Cuba has practiced as far as possible a policy of import-substitution. However, its major imports are fuel, oils and minerals, food and beverages, machinery and transportation, and other manufactured products. These are mainly sourced from Venezuela, by far its largest trading

partner (43% of imports for 2013); followed distantly by Canada and the Netherlands, each supplying approximately 8% of imports, and China (6.5%). Cuba has begun to shift its trade focus somewhat from the EU to more South-South trade with countries such as Brazil, Mexico, and Argentina.

When exporters consider the Cuban market they should importantly consider the significant size of Cuba's tourist market and the priority of this sector to the economy. Between 2006 and 2010, 2.3 million tourists travelled to Cuba. This figure has no doubt increased significantly – in 2014 alone, 3 million tourists visited Cuba. Cuban tourists are largely from Canada, Europe, Latin America, China, and others, notably including the US. With the recent easing of travel restrictions by the US Government to allow travel of American citizens to Cuba, analysts are projecting a tripling of tourist arrivals from that country in the near future. According to several official agencies in the country, the burgeoning demand of visitors to Cuba cannot be satisfied by the current rate of domestic production nor levels of imports combined. The Caribbean is viewed as an important potential source market for these

## The current opportunities for CARICOM exporters become apparent upon examination of the list of items presented in Annexes I and II of the CARICOM-Cuba Trade Agreement.

much-needed products and services. Consider that procurement for the tourism sector is the sole responsibility of ComercializadORA ITH, a government import and distribution entity. To be a supplier to ITH of a particular product(s) or service to this sector can no doubt be quite lucrative.

It is interesting to note that the approximate wage of a predominantly male working population is US\$25 per month, depending of course on the area of employment. As the tourism sector continues to grow, the corollaries of increased employment and services to the sector will have implications for local spending and demand patterns for goods like food and beverages, recreation, clothing, housing and household goods.

CARICOM has been placed at a distinct advantage to export its offerings to the Cuban market with the establishment of the CARICOM-Cuba Free

Trade Agreement (FTA) which has been in place since 2000. Under this arrangement, five countries consist the Most Developed Countries (MDC's) – Barbados, Guyana, Suriname, Jamaica, Trinidad and Tobago; while Belize and the OECS and make up the Less Developed Countries (LDC's).

Overall, the full benefits of this Agreement have not nearly been harnessed to date, though Trinidad and Tobago has made significant inroads. Exports from Trinidad and Tobago to Cuba fluctuated on an overall upward trend to increase by 52% between 2000 and 2013 from US\$30.8 million to US\$46.8 million in 2013. In 2013, Trinidad represented 92% of CARICOM's MDC exports to Cuba. The remaining 8% of exports was divided among Jamaica, Guyana, and Barbados, averaging annual exports of US\$3.5 million, US\$420,825 and US\$41,573 for the period respectively.

Exports from the (LDCs) have been negligible to non-existent over the 14-year period, with a smattering of exports by Belize in the early years of the Agreement and Dominica in the latter.

Trinidad and Tobago's success to date in this market can partially be attributed to the establishment of a trade facilitation office – the only such CARICOM office in Cuba. They have used as their strategy, two flagship products/companies – Sacha Cosmetics and Angostura – to create significant impact and

buy-in from the Cuban market, establishing themselves as providers of high-quality and desirable brands. They have made the way smooth for their exporters to penetrate and expand unrivalled throughout the Cuban marketplace, using the Trade Agreement as a platform. Angostura has gone on to make an important strategic alliance with the powerful Cuban Barmen Association which has national reach. Associated Brands Industries Ltd, another Trinidadian-based company, is also reaping success in the market with its variety of snacks and biscuits.

The current opportunities for CARICOM exporters become apparent upon examination of the list of items presented in Annexes I and II of the CARICOM-Cuba Trade Agreement, where a range of goods are allowed duty free access once they meet the rules of origin requirements as set down in Annex VI of the Agreement. There are





generally no quantitative restrictions. These items include but are not limited to agricultural products including fish, meat, dairy products, vegetables, spices, grains, fruits, nuts, plants and seeds, oils and margarines, juice beverages, extracts, non-metallic mineral products such as stone, chemicals including insecticides, paints, varnishes; beauty products, wood, furniture, paper products, items of clothing and footwear, scrap metals, and building materials. All regional exporters producing within any of these product categories can view Cuba as a target market.

Furthermore, according to the Euromonitor Report on key industries in Cuba, beverages will experience the largest volume of growth in consumer demand between 2013-2018, followed by home care, tissue and hygiene, packaged foods, beauty and personal care, consumer appliances and electronics and apparel.

The majority of officials and distributors in Cuba, including CIMEX and TRD Caribe, two of the largest distributors in the island with over 15,000 and 2056 stores throughout Cuba respectively, have confirmed a great need for specific items such as glass bottles for beverages in Cuba. Again, the growing tourism sector is creating a high demand for beverages like rum and beer. Cuba's Ministry of Trade has also cited the need for fresh fruits and vegetables, especially during the heavy summer tourist season. TRD indicated high demand for items such as shoes and clothing, pharmaceuticals, condoms, household cleaning items, and even luxury items such as cosmetics. A demand for paper napkins, plastic kitchen items and foods such as jams, jellies and sauces has also been articulated.

Given the market structure of the country, and that government procurement via invitation to tender can be considered the route to market for any products to be exported into Cuba, one important step to penetrating the Cuban market is the registration of a potential supplier with the relevant Cuban government-owned distributing entity.

The registration process entails the translation into Spanish of a company's legal registration documents and constitution by an officially recognised translator of the national government ministry responsible for trade or diplomatic relations with Cuba. For example, in Barbados this would be the Ministry of Foreign Affairs and Foreign Trade. The translation must be notarised

and lodged with the exporter's local Cuban Embassy office, after which the originals will be lodged with the exporter's national Embassy located in Cuba for reference in the market. Copies will be issued to potential Cuban importers i.e. the relevant government enterprise/distributor armed with government import licenses, for inclusion in their list of potential suppliers of a particular product(s). The Cuban Chamber of Commerce is invariably involved as a pivotal contact point in the process of business-to-business matching.

Once this procedure is complete, the registered exporter can be included in any future bids by the Cuban Government as a potential supplier of that particular good. The registration process can take between four months to over a year. The advantage again for the regional exporter is their access vis-à-vis the CARICOM-Cuba FTA.

With regard to services, opportunities for regional service providers who can provide capacity training

of business in practically all sectors.

The Mariel Special Development Zone (MSDZ), located 45 km west of Havana city, and occupying 465.4 km<sup>2</sup> of space, is a highly touted development project of Cuba that was set up in 2013 to attract foreign investment – an industrialisation by invitation of sorts – to encourage technological innovation, increased exports, import substitution, and to generate new sources of employment for the Cuban economy ([www.zedmariel.com](http://www.zedmariel.com)). While the zone appears to still be in a building mode, the areas for investment are specifically planned by type and size of investment, and the relevant government institution assigned responsibility for its governance. Foreign investment may take three forms: joint ventures, international economic association contracts, and 100% foreign owned investments.

Greatest emphasis in the MSDZ will be placed on biotechnology and medicines (13 opportunities); general industry (6); agro-food industries (5); and renewable energy (1). However, based on total investment opportunities throughout the whole country and not just limited to the MSDZ,

the Cuban government's priorities will be on oil investments by far (86); followed by investments in tourism (56), agro-foods (32), industry (16), renewable energy (14) and biotechnology and medicines (13).

## Important Business Nuggets

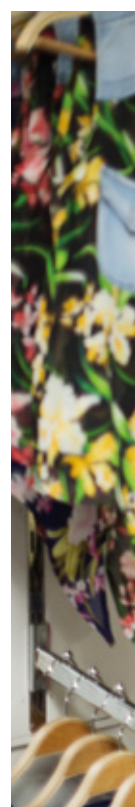
Internet access for private users has only recently become available at a cost, by a state-run telecommunications company, ETECSA. Internet outlets and surf rooms are now available with WIFI hotspots available intermittently throughout the island, as well as at most hotels. While this is still somewhat of a limited access, it has had a significant impact on communications in Cuba and telecommunications may well be a growth area for investment.

Advertising is prohibited by law. Consequently, the traditional capitalistic approaches to marketing by means of advertisements in the newspaper, radio or TV; billboard signs; etc. are not permissible. This poses an interesting challenge and forces innovation and creativity – a very relational and hands-on approach is required. Word-of-mouth, product launches around important events, and strategic alliances can be useful in this regard. For example, the face of Sacha Cosmetics in Cuba was endorsed by Cuba's most popular female salsa singer.

## So how can CARICOM governments assist their businesses to penetrate the Cuban market?

in hospitality and customer service are high. LABIOFAM, a major pharmaceutical company, predicts a new focus on the development of the ICT industry in Cuba, no doubt based on the growth trajectory of the Cuban economy which must be supported by ICT. Energy services is another avenue for export and investment as signaled by the growing oil and alternative energy production focus of the Cuban Government.

As it relates to foreign investment, in accordance with Cuba's move to stimulate its economy, business opportunities are to be promoted through a diverse portfolio of opportunities prepared by MINCEX, the Ministry of Foreign Trade and Investments. These are to be published annually and are aimed at providing general information on every sector or activity and keeping investors abreast with key elements of priority projects for the Cuban government. The first such list was published in 2014 in the Portfolio of Opportunities for Foreign Investment and made available online at [www.cepec.cu](http://www.cepec.cu). Generally all sectors except health care services for the Cuban population, educational services for the Cuban population and the armed forces, are of interest to the Cuban Government. The internal local business administration/systems of these services can only be provided by Cubans. This seems to open the door for almost all forms







CIMEX, one of the largest Cuban importers positioned as an upmarket distributor with both wholesale and retail operations, uses predominantly letters of credit to purchase goods. In some instances they have used bank transfers and exchange letters. While payment terms are negotiable depending on the demand and turnover rate of a specific item, 180 days is normal for payment after the Bill of Lading or Airway Bill has been received by the supplier.

Feedback on the ground suggests the months of July and August are not good times to conduct new business – these are the summer months and as such are slower than other months of the year for business negotiations.



Participation in the long-standing FIHAV can be strategic. FIHAV is the largest annual multi-sector trade fair in Havana, running for over 30 years. This year's November edition will mark the 33rd year of its staging, and already appears to be fully booked with countries world-wide participating, including from Germany, France, Spain, Italy, Canada, Latin America, and China. A delegation from Haiti and the Dominican Republic will also be attending supported by Caribbean Export.

### Governmental Support

So how can CARICOM governments assist their businesses to penetrate the Cuban market? The strategy used by Trinidad and Tobago is instructive. If the potential of the Cuban market is truly embraced, a regional trade facilitation entity could be for CARICOM exporters what Trinidad's facilitation office has been for their own exporters.

A united regional face at the FIHAV Expo will be important. Caribbean Export, under its Haiti-Dominican Republic Bi-National Programme has for the past few years organised a pavilion during the expo for exporters primarily from Haiti and the Dominican Republic.

Some further private sector suggestions relate to the registration process which is costly and time-consuming. National governments could consider assistance in this regard as a means of support that will be impactful and appreciated.

Though much economic reform still has to take place to stimulate real growth in Cuba, and much will depend on the depth and pace at which these reforms are implemented, the market is burgeoning with potential, and time is of the essence for CARIFORUM businesses to gain first-mover advantage vis-à-vis their US counterparts.



Beverley Alleyne is a Senior Business Development Officer of the Barbados Investment and Development Corporation. She has over 12 years' experience in the business of export development and promotion, managing a cross-section of large and SME exporters.



# A Regional Strategy for Capitalising on Opportunities in China

BY MANGO MEDIA CARIBBEAN



Over the last six years, China dominated the world's export market and further cemented itself as a global economic powerhouse. In 2014, it generated a whopping 12.4% of all global exports, worth an estimated US\$2.3 trillion.

Today, while it remains the world's second largest economy, the outlook for China is less certain, with a forecast of slower growth. Despite this, it is still likely to exceed that of other major economies over the next two years, albeit at a smaller margin. Meanwhile, China remains the most populous country in the world and is home to more than 1.3 billion people.

In comparison, the Caribbean region is a significantly smaller geographic and economic entity, and the massive trade imbalance between the two serves as a reminder of this disparity.

This does not mean, however, that there is a shortage of opportunities for the region in China. Among the items already imported by China from the region are gas and asphalt from Trinidad and Tobago, timber, minerals and bauxite from Guyana and bauxite from Jamaica. But this could just be the beginning.

For Chandradath Singh, the Trinidad and Tobago Ambassador to China, this is the ideal time for the region to capitalise on the Asian nation's demand for goods and services emanating from the Caribbean.

Ambassador Singh, who has headed the Embassy since it was first opened in February 2014, reports that several recent initiatives have been implemented to attract foreign investment.

He said, "To encourage foreign direct investment, the government has improved regulations, opened up a new free trade zone to cater to foreign

countries and made it easier to apply for a Chinese Green Card. Domestic laws, including Intellectual Property Rights and Copywriting Laws are also being improved to facilitate foreign investors."

CARIFORUM firms should capitalise on these attractive features for doing business in the world's most populous country. And while it is becoming easier to do business inside China, technology has also made access to this market much simpler. China is now the second largest online shopping country in the world. CARIFORUM firms now have the opportunity to sell their products directly to Chinese consumers, rather than going through agents and other promoters.

"With China's online shopping capabilities and the demand for international cultural items, promoters from CARIFORUM countries could find a lucrative market for their calypso, reggae, Carnival, steel pan, fashion, cuisine, and so much more of what we have to offer," Ambassador Singh said.

## Health Care

While China's population has stabilised, people over 60 now make up more than 13% of the population. The percentage of people 14 years and under has also shrunk at least 6% between 2000 and 2010, reaching a new low of 16.4% in 2013.

China's one-child policy has resulted in its fertility rate plunging to 1.6 births per woman, way below the replacement rate of 2.1 births. The decline in the working-age population means that there will be less available support for an increasingly older Chinese population.

Chinese health care is quickly becoming one of the most popular sectors for investors looking for the next great, untapped market. Kirk John-



Williams, a Trinidadian investor who lived in China for six years, believes these factors have given rise to the demand for healthcare services which the region can supply.

"More financial resources are now being allocated towards the healthcare industry and social welfare for the elderly. CARIFORUM countries are an ideal location for establishing homes for the elderly from China, in very much the same way that whole retirement communities are now being established in Miami and other US cities," he said.

## Tourism

For those in the tourism business, there could be no better time to attract Chinese outbound





tourists, who have become the largest tourist group in the world and are known to spend large sums of money when travelling abroad.

Asia dominates China's outbound tourism market, with many nearby cities in South Korea and Japan taking top spots because the cost of travel is considerably less than long-haul flights.

Smaller numbers of Chinese are travelling to North America and Europe, especially Germany, because of their simplified visa application process. Many countries have either abolished visa requirements for Chinese travelers or have put measures in place to attract Chinese tourists.

Ambassador Singh believes wooing these tourists

will become easier as Air China is expected to begin direct flights between Beijing and Havana. He also believes that the newly established Chinese cruise industry has the potential to bring more visitors to our shores.

The Caribbean will have to compete, though, against other destinations that are closer to China, such as Indonesia, Maldives, Thailand and the Philippines that, like the Caribbean, offer sun, sea and sand.

Despite this, John-Williams believes the Caribbean can successfully tap into this market if the region works together.

"The CARIFORUM region needs to consider a joint approach to developing the tourism sector

specifically for Chinese tourists. The Caribbean is a unique travel destination not just for leisure but also for medical and business tourism. The Chinese are very proud people; the ability to travel and explore new markets and countries bestows the individual with bragging rights. In a country where the concept of 'face' is very important, such bragging rights are taken seriously."

He added that "the countries that comprise the CARIFORUM region offer very unique experiences from a tourism standpoint. This means that if well executed, Chinese tourists can go island hopping either by cruise ship or by plane."

The investor also shared that governments must have the will to work together so as to establish



Chinese tourists will not travel a great distance to the CARIFORUM region unless they feel confident that the trip will be worth it, that their safety will be guaranteed and that sufficient infrastructure will be in place.

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a proper Air Transport Framework Agreement that would allow increased direct flights between China and the CARIFORUM region. Greater efficiency by both public and private tourism travel entities must be accomplished.

“Chinese tourists will not travel a great distance to the CARIFORUM region unless they feel confident that the trip will be worth it, that their safety will be guaranteed and that sufficient infrastructure will be in place,” John-Williams noted.

## Moving Forward

Companies from countries in the region that do not enjoy special trading or free trade arrangements with China have to pay hefty import and luxury consumption duties and taxes. And although the Chinese government lowered the import duty by 50% on luxury items such as cosmetics, fashion and other beauty products, for many items the cost of exportation remains high.

Firms looking to export to China would benefit significantly from a regional push, at both the state and private sector levels, that encourage the export of local goods and services through the pursuit of multilateral agreements. A joint effort by CARIFORUM governments will increase their bargaining power, as opposed to attempting to negotiate on an individual country basis. Each CARIFORUM member country will have its own unique trading agenda and needs, but moving forward it is important for the region to utilise a collective bargaining strategy as it positions itself for improved trading conditions, especially as it relates to the establishment of a free trade agreement.

Ambassador Singh notes there is power in numbers when attempting to penetrate the market and believes that this can be a winning strategy for breaking into the rum industry.

“CARIFORUM firms must take advantage of the vast and lucrative Chinese market, especially in the rum market that is yet to be developed in China. However, with high import duties and competition by other brands, there should be a combined effort by CARICOM countries to mount a joint promotional campaign to bring the

Caribbean’s highly prized rums to the Chinese people,” he said.

One of the main issues that CARIFORUM companies face is the issue of partnership and representation in China to provide a reliable distribution channel for their products. Those who make full use of government investment and export agencies have the benefit of assistance to help make the relevant introductions, thereby paving the way for a mutually beneficial business relationship.

While John-Williams believes the establishment of trade desks is a great step towards increasing the region’s export output, he prefers the personal touch.

“I believe that increased people to people exchanges from an educational, cultural and arts perspective is also very important in trying to establish strong business ties in China. Many CARIFORUM companies and entrepreneurs now travel many times a year to China. However, there are still relatively few CARIFORUM natives that not only speak fluent Chinese, but have been educated in international politics and diplomacy with a focus on China. There needs to be a greater interest and support for young people to study abroad in China or to participate in school or sports and cultural exchange programmes.”

Cuba, although not a CARIFORUM State, is a Caribbean country that stands out in terms of maximising this type of exchange with China.

Cuba is well positioned to not only receive a substantial amount of trade from China upon the thawing of ties with the US, but it will be in a better position to benefit from increased Chinese tourism to the region as it has more Mandarin speakers and natives who have spent a significant amount of time in China when compared to most other CARIFORUM countries.

If the region is to benefit from increased export trade with China, it must not only present a unified front but also find ways to deepen ties in a tangible way with the global superpower. For the CARIFORUM nations, this will provide a stable foundation for moving forward and mutual prosperity between the region and China.

Mango Media Caribbean is a leading Public Relations company based in Trinidad and Tobago serving clients globally. Their team of writers develop, create and produce copy for magazines, websites and media both traditional and social.



# company to look out for:

## Gopex International N.V.



### Company Name

Gopex International N.V.

### Website

[www.gopex-internationalnv.com](http://www.gopex-internationalnv.com)

### Chief Executive Officer

Bhiesnoepersad Gopal

### Years in existence

17 years

### Location

Suriname

### Product Summary

Gopex International NV produces both fresh-cut fruits and vegetables. The fresh fruit include passion fruit, watermelon, pineapple, papaya, mango, Knippa and rambutan. Our fresh vegetables consist of bitter guard, eggplant, African eggplant, string bean, peppers, okra, tanja leaves, bitter leaves, Indian broad beans, cabbage, lettuce, celery, tomato and much more. We also supply a variety of fruit mixes and other non-processed vegetables.

### Export markets

Netherlands, German and UK

### Major exporting achievements

- Quality Era Award
- SLM, Most outstanding Shipper (Paramaribo- Amsterdam)
- KLM Highest Tonnage growth award
- HACCP/ISO 22000, January 2014
- Emerging Exporter of the Year Award

### Market entry strategies

Gopex first started as a small supplier of fresh vegetables. However, developments in both the local and export markets have led the company to specialize our processes, upgrade our infrastructure, and improve our standards in an effort to provide





safe food to our consumers. Gopex is currently in the final phase of obtaining the Global Good Agricultural Practices (GAP) certification. We also record all our actions in order to maintain a strong quality system within the company.

### Greatest Exporting Lessons Learnt

We have learnt the importance of guaranteeing the provision of safe hygienic products to our consumers. Our motto is 'Safe food is our priority'.

### Name of Award presented to your company

"Emerging Exporter of the Year Award"

### Key Success Factors

Factors which have accounted for us winning the Emerging Exporter of the Year award are perseverance in all that we do, investing in sustainable agriculture, obtaining certification (ISO/HACCP, Global G.A.P.), strong management and expert staff and fulfilling our corporate social responsibility.

### General Recommendation on Support Needed by Exporters

Our experience is that countries in CARICOM such as Trinidad Barbados and St. Lucia have high levels of bureaucracy and complicated documentation which makes it difficult for Surinamese producers

to export to these countries. Bureaucracy also exists in Suriname and public officials as a result of red tape and limited cooperation between departments are unnecessarily causing delays in the export of agricultural products which in turn causes buyers in our export markets to receive lower quality products. In order to help firms to manage these difficult obstacles, there is a need for greater access to information from authorities on what is required to facilitate export. Perhaps training of farmers would help. There is also the need for assistance in the area of acquiring certifications such as Global G.A.P which will open up a range of markets to exporters.



# Heading South: Unlocking Opportunities for Caribbean Musicians in Brazil



BY SHYAMAL CHANDRADATHSINGH

Let's face it. In most of the nations that make up the CARIFORUM region, musicians and other artists struggle to understand how they can expand their audience and reach due to the lack of a tangible music industry. However, there are many untapped markets very near to the Caribbean that, while clearly unique, share elements of cultural affinity that should be used as leverage to gain access. Given its sheer size alone, Brazil, our Portuguese-speaking southern neighbour is definitely worth exploring as a destination for musical acts. On the back of the World Cup in 2014 and the upcoming Olympics in 2016, the world is converging on Brazil not only for sports but also for music, fashion and other aspects of culture. It is important that the Caribbean doesn't miss out on the party!

Caribbean artistes don't usually target Brazil, but Trinidad and Tobago and UK-based duo Jus Now, (comprised of Keshav Chandradath Singh, or Lazabeam, of Trinidad and Tobago, and Sam Chadburn, or Interface, of Bristol, UK) recently participated in a mini tour of Brazil, in partnership with the British Council, as part of an





initiative called “Bass Culture Clash.” One of the most talked about acts to emerge from Trinidad and Tobago’s recent romance with electronic music, Jus Now are known for their UK hit dance single, “Tun Up”, as well as producing and working on tracks for the likes of Bunji Garlin, Machel Montano and Beenie Man.

On being a Caribbean act performing in Brazil, Lazabean says, “although Brazilian history weighs more heavily on the Portuguese side, they carry very strong African roots, which are shared with my musical roots in Trinidad. In Brazil ‘Candomblé’ is very similar to the ‘Orisha’ traditions and rhythms we have in Trinidad and Tobago, and as a drummer I found it quite a study in contrast and comparison.”

Brazilian music, or Música popular brasileira, is quite diverse. Some of the main traditional styles include: samba, pagode, forró, bossa nova, jovem guarda, batucada and axe. These are joined by many new styles such as technobrega and baile funk which merge more traditional styles with modern influences like electronica,

funk and jazz. In many ways, Brazil is a cousin to the Caribbean region. While there may be a difference in spoken language, both share an ethnic diversity and a passion for football, carnivals and especially percussion driven music. Percussion is at the heart of Brazilian music and to experience cities like Rio, Sao Paulo or Recife is to understand how entrenched music is to the lives of Brazilians.

Lazabean adds that “performing in Brazil as a Caribbean musician felt, in a certain sense, like a pilgrimage to the source of one of the world’s greatest drum cultures. What was most striking is that, even in its most contemporary forms, Brazilian music always incorporates a strong element of their traditional drum culture. Whether it is samba, pagode, samba reggae or even Brazilian hip hop and dance music, one can almost always find a drum section at the front of the stage alongside the singers. This is the same for their recorded music.”

A rapidly changing music industry in a globalised word means that it isn’t easy to chart a road to

success. Musical acts from the CARIFORUM countries have traditionally been drawn to our North American neighbours and Europe, because those are the markets recognised as “star makers”, where a little known Caribbean act such as Bob Marley or Buena Vista Social Club can achieve recognition and worldwide fame. Additionally, these markets are the location of the Caribbean diaspora who clamour to the stars of their homelands, usually during specific periods of the year such as carnivals or national days. Most musicians do not understand the potential of breaking into or how to penetrate South America, especially Portuguese-speaking Brazil. It’s useful then to understand a little bit about Brazil and the prospects it holds for emerging and established musical acts.

The largest and most populous country within South America, Brazil was founded in 1822 as a monarchy, and achieved its current republican status in 1889. Over 204 million people call Brazil home, making it the second largest demographic market in the Western Hemisphere after the US.

### Quick Facts

Size: 3,265,059 sq mi  
Pop: 204,716,890  
Capital: Brasilia  
Monetary Unit: Real  
Conversion rate: R3.49 to US\$1  
Main Economic Activity: Agriculture 8%,  
Industry 22%, Services 70%  
Source: CIA World Factbook 2015



The creative industries sector is big business in Brazil. It employs over 11 million people and according to the Secretariat of the Creative Economy, a policy body under the Ministry of Culture, persons within this sector can earn up to 42% more than the national average.

After a decade of growth averaging 5%, Brazil's economy is now the 6th largest in the world. The sheer size of its market has earned the country a place among the much talked about BRIC (Brazil, Russia, Indian and China) emerging economies that are leading global market expansion. Brazil, along with the other nations, is an alluring target for many Caribbean manufacturing and service firms, but market entry has remained somewhat mysterious. CARICOM does not have a free trade agreement in place with Brazil and while trade between the region and Brazil has increased in the recent past, it has mostly been to the benefit of Brazilian companies. As with most new things, there may be trepidation on the part of Caribbean musical acts, due to the unfamiliarity of the market, but it should not be an impediment, especially considering the vast opportunities that are available.

The creative industries sector is big business in Brazil. It employs over 11 million people and

according to the Secretariat of the Creative Economy, a policy body under the Ministry of Culture, persons within this sector can earn up to 42% more than the national average. In the first decade of the 21st century, Brazilian music exports averaged 15% growth year-on-year, but saturation within the diaspora markets and the universality provided by the advent of the digital content revolution has greatly slowed this figure in the past five years. According to the International Federation of the Phonographic Industry (IFPI) which tracks music sales worldwide, the Brazilian recorded music industry grew by 2% in 2014 to US\$246 million, with 30% of that growth being generated from digital music sales.

In keeping with the trend worldwide, piracy has become a major issue in Brazil, which has led to a contraction of major labels such as Sony and Warner in the market. Many independent labels,

such as Som Livre, have been able to compete with the bigger players by utilising a full service model whereby an artist's content delivery, performance and merchandising are all handled by one entity. These independents are more flexible than the majors and have been able to adapt to meet the needs of the Brazilian public with regard to content. For more established artists in the Caribbean, negotiating distribution with one of the larger independent labels in Brazil is a potential avenue to access the market.

Local demand for content has continued to grow in unique ways in an evolving market. One of the primary mechanisms for content delivery is mobile phones. Household Internet penetration rates are low in Brazil but mobile penetration is high. There is opportunity, therefore, to target Brazil via digital downloads and mobile service providers. In 2015, 28.2% of Brazilians were accessing their content through subscription services. Many artists in the





## Caribbean acts would do well to research the city of São Luís do Maranhão, which is considered the reggae and dancehall capital of Brazil.

Caribbean use iTunes, Amazon Music, Spotify or other digital content providers and most of those vendors have a presence in Brazil. Additionally, services like Deezer and Napster have entered into partnerships with local mobile phone providers to take advantage of the mobile phone penetration rate.

Brazil is also renowned for its summer and year-round festivals. While Rock in Rio is still the largest festival, many others exist that present opportunities for acts in genres such as jazz, electronica and pop. Reggae has been a standard genre for the festival circuit and many big name Jamaican acts have performed throughout Brazil. During their recent tour, Jus Now noticed the strong affinity that Brazilians have for reggae music.

"From what I heard before I even went to Brazil, the appetite for reggae in particular was very large. This was overwhelmingly confirmed when I went

on tour there. Reggae and dancehall lovers attended all of our gigs, with the promoters and other acts all being quite savvy to both the lingo and style of Caribbean contemporary music. To cite a very popular example, Carlinhos Brown is Brazil's biggest male act. He has made his career through cultivating and curating a sound called 'Samba Reggae', which is internationally renowned."

Caribbean acts would do well to research the city of São Luís do Maranhão, which is considered the reggae and dancehall capital of Brazil.

The greatest opportunity for penetration of the market comes from the desire of the Brazilian music industry to constantly evolve the sound of Brazil to make their music relevant, as evidenced by samba reggae, and baile funk. Jus Now's opportunity to tour in Brazil was spurred by a request to remix a track for an upcoming electronic music group from Brazil, A.M.A.S.S.A.

This collaboration exposed young Brazilians to the sound of Jus Now. With the connectivity provided by Facebook, Twitter, SoundCloud and other online social platforms, emerging acts from the Caribbean have unprecedented access to their peers in Brazil which they can use to start collaborations and exchanges. Connecting to markets through peers allows emerging acts to find like-minded persons who can prove to be much more relevant guides to an unfamiliar country.

Utilising the national creative arts or export promotion agencies throughout the region is another avenue to enter the market. Brazil understands that in order to expand its own markets, the country needs to support its own acts entering events and festivals throughout the world. Apex Brazil and the Brazil Music and Arts Association have partnered to create Brasil Music Exchange (BMX) as a platform to identify and exploit opportunities for

### Festivals In Brazil

This is a list of the larger festivals in Brazil, but it is by no means exhaustive:

#### *Rock in Rio Music Festival*

(Almost 500 acts play on Rock Street outside the festival)

<http://www.rockinrio.com.br/>

#### *Tomorrowland*

<http://www.tomorrowlandbrasil.com>

#### *SWU Music and Arts Festival*

<http://site.swu.com.br>

#### *Porto Musical*

<http://www.portomusical.com.br/en/>

#### *Garden Festival*

<http://www.gardenfestival.com.br>

#### *MIMO Festival*

<http://www.mimo.art.br>





Brazilian musicians. By creating exchanges with an agency like BMX, national agencies can provide their country's musical acts with a facilitated entry into the Brazilian market and access to Brazilian acts with which to forge alliances and partnerships. For those interested in electronic music, Porto Digital may provide an avenue to connect with the cutting edge of Brazilian talent.

Over the next year, a constant stream of activities will present opportunities for Caribbean artists to perform in Brazil. Past Olympic Games have been used as an opportunity by many participating nations to create brand awareness

and to promote goods, services and culture. Lazabeam recounts a similar experience during the last Olympic Games.

"During the month-long festivities, each nation will be bringing with it some sort of cultural contingent, whether by private or governmental sponsorship. I have experienced this in London during the Olympics, even being an envoy for my nation's music at the Olympic Village."

He cautions, however, that these opportunities are best seized by both artists and promoters early, as a lack of proper publicity leads to an act only capturing local traffic.

With all the excellent music being produced in the Caribbean at the moment, and with the digital tools in place to allow musical acts to chart their own destiny, Brazil presents an opportunity that must be exploited.

### Useful Websites:

Jus Now  
([soundcloud.com/jusnow](https://soundcloud.com/jusnow))  
A.MA.SSA  
([soundcloud.com/amassa](https://soundcloud.com/amassa))  
BMX  
([bma.org.br/brmusicexchange](http://bma.org.br/brmusicexchange))  
Porto Digital  
([portodigital.org/home](http://portodigital.org/home))

Shyamal Chandradathsingh is the Vice President of Investor Sourcing at InvesTT Trinidad and Tobago. He is also a professional musician and audio engineer, having worked with many top shelf artists in Trinidad and Tobago. Having lived and worked in the United States, Canada, India and China, Shyamal has a wealth international experience and language skills which he brings to bear in his professional capacity.



# our competitive advantage







# Fine Cocoa: Strengthening the Sector on the Supply Side through Innovation

BY VERNON BARRETT

The legendary fine cocoa sector of the Caribbean is entering a period of renaissance. The transformation has been triggered by the application of innovative industry models that are more relevant to the prevailing social and economic context in Caribbean countries. This sector's transition is facilitating investors and stakeholders to capitalise on the many attractive opportunities in fine cocoa, driven by the increased global consumer demand for these quality beans and their diverse consumer derivatives.

Fine cocoa beans have been grown, dried and fermented in the Caribbean for well over 300 years. When the crop was first established by the colonial powers, using cocoa plants from South and Central America, regional countries were in an altogether different dispensation. Those countries, with their cheap labour and land, were producing raw materials (dried cocoa beans) as inputs for value-added processing in the metropolitan countries where the quality of the product was held in high regard.

Trinidad and Tobago, in particular, was a cocoa dominated economy accounting for 20% of the

world's total production, prior to the discovery of crude oil and the establishment of the twin-island republic's petrochemical industry. Over 30,000 tonnes of cocoa beans were exported at the peak of production in the 1920s. Although the sector went into decline in the post-war period, to this day there are still several large cocoa estates (over 500 acres in size) which are exclusively growing the single cocoa crop, primarily for export of the beans.

However, across the wider Caribbean there are, in reality, very few cocoa farmers. Rather there are many subsistence farmers who grow cocoa as one of several crops and their acreages are, individually, fairly small. The traditional construct of the cocoa sector was such that these small farmers could only sell their fresh wet cocoa beans to a government-controlled centralised processing facility where it was purchased at a fairly fixed price, then fermented and dried. The same government entity (usually designated as the country's Cocoa Board) also controlled the onward sale of these processed beans to buyers overseas – traders and/or end users. Most of the value-added processing into cocoa butter, cocoa

paste, cocoa liquor, chocolate, etc. was done in these foreign countries.

As we entered the 21st Century, the Caribbean still had cocoa trees and the cocoa pods from which the ubiquitous chocolate food and drink ingredients of Western diets are derived. Although much was changing and continues to evolve – in terms of the downstream chocolate production worldwide and global consumption trend towards dark chocolate, health drinks, super foods, mini “bean-to-bar” processing facilities, etc. – the source of cocoa growing in the Caribbean fields had hardly changed. Yet, beyond the rural communities and cocoa fields, most Caribbean countries have developed in many aspects with the emergence of large metropolitan cities. Even the smaller islands have economically important tourist resort towns. Urban migration appears to conflict with rural economic development. In these developing countries, the economics of growing cocoa beans has radically changed since its inception, rendering the current cocoa industry model obsolete and in need of significant innovation.





## Issues in Transition - Productivity Gains and Increased Economic Value

This innovation process began in the field where many lamented the “lack of labour” and the “ageing farming population”. In truth, the income derived from farming needs to be a lot more attractive, and the livelihood more secure and rewarding, for the younger generation to be drawn into working in the cocoa sector. In order to make this possible, more economic value must be extracted from the crop by increasing the value-added locally and regionally, and increased productivities in the process must be realised. Otherwise, these farmers will choose to grow other more economically attractive crops and their children will migrate from their rural communities to urban areas, or beyond.

This re-imagining and restructuring of the Caribbean fine cocoa industry needed to be done, first and foremost, from the perspective of the small farmer and his or her community. From this perspective, the strategic transformation of the sector has been in progress over the past five to six

years with a series of innovative projects secured with European Union funding, in partnerships conceived and led by the Caribbean Fine Cocoa Forum (CFCF).

One of these projects, **RECREATE** (an acronym for **RE**-engineering the **Cocoa Rural Economy** through **Agro**-processing, **eco**-Tourism & **Entrepreneurship**), provided proof of concept of what was possible to improve low productivities and poor operational efficiencies in cocoa fields.

Conventional labour models were replaced by proven “industrial methodologies” based on the application of modern power tools, ATV vehicles, mobile technologies (e.g. 3G mobile phones & GPS), specialisation of labour tasks and management of trained, motivated teams.

The conventional “individual farmer labour model” related to the cocoa growing and reaping process was replaced with the designation of small, mobile teams of trained specialists who were equipped with modern power tools to prune, treat and harvest the cocoa trees of numerous small, adjacent farms. This new methodology

resulted in labour efficiency gains such that a team of four workers could rehabilitate 2 acres of cocoa fields a day instead of 0.5 acres per day under the conventional labour model.

In addition, dramatic increases to cocoa bean production were realised through multiple concurrent interventions which resulted in cocoa bean yields of up to four to five times that of historical levels. These project initiatives focused on providing proper field maintenance, tree pruning, limited fertiliser application, and timely harvesting, and field productivity increased from 0.3 tonnes to 1.5 tonnes of cocoa beans per hectare.







Trade in cocoa beans within the Caribbean needs to be carefully facilitated (no tariffs or duties; strong disease control measures, etc.) to fully realise the synergies of comparative advantages available across the region.

This combined effect of increased productivity of the cocoa trees and improved labour operational efficiencies is leading to much greater profitability and more income for the new generation of cocoa farmers adopting these methods.

### Competitive Positioning, Value-add & Attracting Greater Investment

Although fine cocoa production levels account for only 5% of the weight of total cocoa global figures, there is a high premium price on the product, vis-à-vis bulk cocoa. For generations, the prevailing quality of cocoa from most Caribbean countries has been universally classified as fine cocoa and that classification alone attracts a price premium of 50% to over 100% of bulk cocoa bean prices. Fine cocoa and its derivatives are in essence niche products and competitive positioning in the marketplace will be on quality and differentiation and not price.

Located at Centeno, in Trinidad and Tobago, is the world's largest repository of genetic material for cocoa – the International Cocoa Genebank, about 40 hectares of diverse varieties of cocoa trees imported from the Amazon and Central America. This resource initially gave rise to the Trinitario fine cocoa variety through hybridisation. Now, tantalisingly, even more quality differentiation is possible with innovative genetic manipulation

linked to flavour profiling, and the Genebank can be used for further competitive advantage, providing new tastes in premium priced cocoa with greater market segmentation and specialisation. Geographical Indications (GIs) is another marketing mechanism for extracting higher prices for the cocoa derived products which include health foods, confectionery, drinks, cocoa powder, cocoa liquor, and cocoa butter.

The Caribbean also has an excellent track record of innovative value-added agro-processing of its crops into globally marketed foods and drinks. For example, rums (from the sugar industry), Tia Maria & Sangster's Liqueurs (from coffee), Ting soft drink (from grapefruit), Angostura Bitters, exotic cuisine such as "jerk" from herbs and spices.

So it comes as no surprise that over the past 10 years or so, the Caribbean marketplace has given rise to a growing list of indigenous chocolatiers – Cocobel (Isabel Brasch, Trinidad), Chocolate Dreams (Michelle Smith, Jamaica), Tobago Estates Chocolates (Duane Dove, Tobago), Exotic Caribbean Mountain Pride (Astrida Saunders, Trinidad) and the Grenada Chocolate Company, among others. Between them, there is an impressive array of high quality, world-class, cocoa-derived, innovative food, drinks and health products for local markets. There exists tremendous opportunity for these businesses to grow further and for new entrants to emerge to supply the 30 million tourists that visit the CARIFORUM region

with high quality branded chocolate products sold at premium prices. Increased demand can only serve to increase the prices paid to the local growers for their cocoa beans.

Further afield, access to the largest and wealthiest export markets in the USA, Canada and the EU also makes the value-added in this sector an attractive proposition for overseas investors.

Indeed, a few foreign investors are already present with Hotel Chocolat (Saint Lucia) and the Diamond Chocolate Company (Jouvay, Grenada) being in the vanguard of this investment activity. They each provide useful insights into possible models of investment in the Caribbean, particularly when it comes to joint ventures. The increasing availability of more affordable, modern, integrated, mini "bean to bar" chocolate processing factories will only accelerate these types of investment ventures across the Caribbean in the years ahead.

Trade in cocoa beans within the Caribbean needs to be carefully facilitated (no tariffs or duties; strong disease control measures, etc.) to fully realise the synergies of comparative advantages available across the region. For example, low energy costs in Trinidad favour energy-intensive processing of the beans, whereas the larger tourist traffic in Jamaica favours sale of finished cocoa products to this market.





The next stage in product and process innovation of the fine cocoa sector in the Caribbean is already underway with a US\$2.5 million project.

### Government Role & Support

In general the governments of the Caribbean have been playing their part in supporting the sector's transformation by liberalising their domestic markets for the buying and selling of fine cocoa beans. Public sector monopolies are giving way to a more competitive marketplace, but there are still important areas requiring governmental support to secure the future of the fine cocoa industry.

For example, there is coordination between ministries of government in Jamaica through projects initiated by CFCF and funded by the European Union and these should continue and increase in intensity. Such initiatives synergise the resources of Agricultural Colleges (Ministry of Education) and the Agricultural Research Centres (Ministry of Agriculture), getting rural youth involved and inspired with prospective entrepreneurial ventures. Further initiatives are planned for linking in the Ministry of Industry & Commerce (Agro-processing) and the Ministry of Tourism (supply chain to tourists as end consumers). Elsewhere, the Cipriani College in Trinidad is designing support programmes for developing models for modern day collectives and cooperatives which can benefit hundreds of small cocoa farmers across the Caribbean.

Other practical ways in which Caribbean governments can assist the fine cocoa sector include:

- Supporting the sector's infrastructure – nurseries for cocoa production; germplasm breeding programmes; and rural road networks;
- Updating legislation on issues affecting modern rural enterprise development – e.g. anti-praedial larceny measures and the Road Traffic Act (regarding the use of All Terrain Vehicles ATV's);
- Implementing practical ownership measures for land assets, making small farmers more bankable;
- Drafting micro-finance legislation and supporting subsidised lending against the biological assets that are cocoa trees; and
- Promoting and protecting the global branding, the quality of fine cocoa beans and their derivatives.

Furthermore pan-Caribbean governmental collaboration to make the market function in some aspects in a more integrated manner will help mitigate the risks associated with business interruption due to climate change, environmental damage, disease outbreaks etc.

### The Future is more Innovation

The next stage in product and process innovation of the fine cocoa sector in the Caribbean is

already underway with a US\$2.5 million project to establish the International Fine Cocoa Innovation Centre (IFCIC) at the University of the West Indies in Trinidad, in partnership with the CFCF, the Cocoa Research Centre (CRC) and Newer Worlds, UK.

This Innovation Centre will provide the infrastructure for action research, development, experimentation and business modelling for extracting more of the economic value of the cocoa bean. This will be effected through the provision of specialised processing equipment and the know-how to convert the bean to the many downstream derivatives – cocoa butter, cocoa powder, cocoa paste, cocoa liquor, and couverture – which create the basis for diverse consumer products in the food, drink and health sectors. Incubation is also part of the service offering at the Centre which supports clusters of entrepreneurs with business, finance, operational, marketing, trade and export expertise.

The Innovation Centre is scheduled for completion in 2017 and the project is currently open to engagement with the regional and international public and private sectors, to explore the exciting possibilities for stimulating the sustainable development of the fine cocoa sector across the Caribbean, so that its revival continues well into the next century.

Vernon "Patrick" Barrett is an International Business Consultant who specializes in global trade, enterprise development and innovative sector transformations as Managing Director of Newer Worlds (UK). He is also a Director of Caribbean Fine Cocoa Forum.







# Caribbean Fine Flavoured Cocoa: A Global Niche?

BY LORRAINE WALDROPT



Champagne – rich and exquisite – is a niche product with a competitive advantage, highly differentiated and specialised for an elite market. Indeed, the beverage is branded, bottled and marketed in such a way that those who demand it must pay the price. Now shift your gaze to dark chocolate made from Caribbean origin cocoa – the smooth taste of heaven on your palette, delectably infused with the intrinsic fine flavours of the Caribbean. Martin Christy, one of the world's foremost experts on chocolate tasting and founder of the fine chocolate review website, [www.seventypercent.com](http://www.seventypercent.com), will certainly authenticate this claim, as Caribbean origin chocolate is highly differentiated, demanded by an elite market and fetches a decent price. But is Caribbean cocoa in the same branding bandwagon and, if so, are the opportunities for development of the industry maximised?

There are some gray areas in the cocoa and grapes analogy due to the Caribbean cocoa dilemma of high potential but low progress. Within the CARIFORUM region, cocoa growing, producing and processing comprise an integral part of many rural farming communities. In view of the International Cocoa Organization's classification of bulk cocoa (used for mass milk chocolate markets) and fine flavoured cocoa (used for niche upscale dark chocolate markets), the International Cocoa Agreement, 1993, recognises 17 countries as producers of fine flavoured cocoa, of which eight are classified as exclusive producers. These eight include seven CARIFORUM countries – Dominica, Grenada, Jamaica, Saint Lucia, St Vincent and the Grenadines, Suriname, and Trinidad and Tobago – with the Dominican Republic as part producers. Herein resides an opportunity for these countries to build a high-value niche cocoa industry, like the grapes industry in Champagne. Despite the high demand for the Caribbean fine flavoured aromatic brand of cocoa, which is well sought after by the world's elite chocolatiers, CARIFORUM cocoa accounts for only 5% of world production. Regardless of the high development potential

and premium prices offered for fine flavoured cocoa, the Caribbean cocoa sector continues its streak of low production and low dominance in the world market.

Today, the world cocoa industry is an almost US\$100 billion industry, poised to grow by another 20% over the next decade. According to the World Cocoa Foundation, 40-50 million people depend on cocoa for their livelihood. In CARIFORUM cocoa-producing countries, tens of thousands of rural, low-income farmers and workers engage in the cocoa industry that serves hundreds of thousands of dependents.

How then, in light of the socio-economic relevance of cocoa to CARIFORUM countries which produce this key crop, can the dark chocolate/

flavoured chocolate origin cocoa picks, and he is committed to addressing the dilemma which plagues the region's cocoa stakeholders.

"I know fine chocolate and I love it. And this is why I can attest to the great fine flavours of cocoa from Grenada, Trinidad and Tobago, Jamaica, Belize, and the list goes on for the Caribbean. But having good genetic material for the world's best flavours and maintaining high quality are two separate things," he says.

Christy identifies Germany, Belgium, England, Italy, Spain, and France as the high-end markets for Caribbean origin dark chocolates and cocoa products in Europe. European manufacturers who supply chocolate to these markets are the main clients of Caribbean fine flavoured cocoa. But these

markets cannot be effectively served without a total transformation of the regional sector towards a model that propels high quality and branding, to increase production of cocoa as a raw material to meet growing world demands, micro-farm profitability, value added sub-sectors and contribution to country GDP, he argues.

Today, the world cocoa industry is an almost US \$100 billion dollar industry, poised to grow by another 20% over the next decade.

Caribbean cocoa model be moulded along the pathway of success of the champagne/grapes story? While there is no simple answer to this question, a starting point can be accepting and embracing the necessity of change in the branding and associated structural infrastructure of the CARIFORUM cocoa industry. A metamorphosis of the regional sector must fundamentally address the most important variables in the champagne success equation which are quality and specialist branding.

In his cocoa to chocolate journey, Christy has tasted fine chocolates of the biggest and smallest world brands, and he and his Direct Cacao team have been the major driving force in guiding targeted development of cocoa producing countries with the best cocoa flavours towards greater competitiveness and sector sustainability. Countries within the CARIFORUM group are among his favourite fine

"The answer to developing fine flavoured cocoa niche industries in the Caribbean is a drive towards specialisation of the market. While the emphasis is usually placed on increase in quantity, many of the European markets apply a greater weight to quality. As such, the only way CARIFORUM countries can effectively differentiate themselves from other producers of fine flavoured cocoa, such as Madagascar and Papa New Guinea, is through improvement of quality, marketing, branding and specialisation. After these milestones are met then the focus can be channelled towards increase in quantity," Christy advises.

Having perused the world industry and its varied models, he insists that the Caribbean cocoa model should be customised to the needs and capabilities of the niche industry.



"CARIFORUM cocoa producers produce just a small quantity of cocoa in the world market. The market share is really minute, but the product is specialised; it is fine flavoured. Therefore, it must be marketed and branded as such in order to capture the highest price to sustain the activities of its stakeholders. The key to a high priced brand is quality!" Christy insists.

He cites several economic models which have failed to achieve high profits and sustainability due to misguided marketing strategies.

"Positioning is very important for the competitiveness of Caribbean cocoa. Fine flavoured cocoa should not be treated like a commodity, but like a luxury product. Commodity markets are for industries with large quantities and unspecialised products like the bulk cocoa market. The cocoa

producing countries of the CARIFORUM region with 600 and 700 tonnes of cocoa a year cannot compete against commodity markets like Ghana and Côte d'Ivoire, which produce 1.6 million tonnes annually. CARIFORUM cocoa producing countries should therefore focus on raising the value of their product by learning the needs of the end user markets and the requirements of the end products," states Christy.

"This will be a noteworthy strategy to gain greater prominence on the global cocoa market. As origin cocoa stakeholders educate themselves of the needs in end user markets, this will open the lines of communication between European buyers and distributors and CARIFORUM producers and exporters to increase the level of trade between the two markets."

Christy further suggests that buyer market selection should not be random, as those markets may not be secure. Specialised market selection is more lucrative and secure and will come through differentiated quality.

But all these goals will not be achieved without the groundwork of major structural changes to facilitate a new supply chain and aid a reshuffling of the cocoa value chain to catalyse the re-branding of cocoa, from a commodity to luxury good, within the domestic industries. The recent tendency away from the state-run

direct farmer to chocolatier relationships. Good chocolate is directly hinged to good cocoa – the economy of taste, as Christy describes it.

"More direct partnerships must be formed between European buyers and distributors and CARIFORUM producers to set the pace for better pricing of cocoa – a factor which will increase the profitability of the crop and its value added products. A higher price will facilitate and sustain a higher profitability for primary producers and other stakeholders within the Caribbean cocoa value chain, but this end will not be actualised

without an increase in quality to meet the standards of the specialised market," Christy asserts "So the prioritisation of not only genetics but fermentation and drying of cocoa will be of extreme importance to position the Caribbean cocoa brand."

## More direct partnerships must be formed between European buyers and distributors and CARIFORUM producers to set the pace for better pricing of cocoa.

cocoa board type industry in some Caribbean countries, such as Jamaica and Trinidad and Tobago, and the consequent shift towards a more privatised industry will accelerate these structural changes and a sophisticated luxury good model, Christy says.

In August 2014, restructuring and divestment of the commercial assets of Jamaica's cocoa industry was initiated, following the divestment of the island's coffee industry. Earlier in that same year, the Trinidad and Tobago Government made amendments to the Cocoa Act and the Cocoa and Coffee Industry Board to enable a freer market. Both countries have taken a bold step towards a more open market which is ripe with opportunity if the largely small farmer-based cocoa stakeholder group increases quality, to begin a new era of more

He further emphasises the need for informed marketing as he makes note of the Caribbean's tendency towards larger manufacturing markets for its cocoa.

"The problem with these mass markets is the fact that larger entities will always bargain for lower prices, as they purchase in bulk. But in Europe and the USA, I have seen an emergence of many small chocolatiers who market the bean-to-bar message. Artisan chocolate is their specialty, which commands a higher price as compared to the industrial dark chocolate. Therefore, through these means, small producers can sell their chocolate at higher prices as this class of consumer doesn't only purchase chocolate but the experience, the history and the culture of its origin."





He adds that within the context of bean-to-bar marketing and the associated high value it lends to the industry, value added sub-sectors, especially in origin “destination chocolate”, can be a high point for some CARIFORUM producers, as these areas also thrive on the tourism industry.

According to Christy, a total rebranding of the industry will not be successful without equal investments in cocoa and chocolate.

“Many producers of grapes make their own wines right on the farm and, as a result, they can market both product and experience. There are many other successful models within the world cocoa landscape which apply both philosophies – cocoa and chocolate. You see, chocolate is a manifestation of the esteemed value and exquisite flavour of high quality cocoa. Many institutions and governments don’t grasp this reality – the economy of taste.”

With regards to increasing trade between CARIFORUM cocoa producers and European buyers and increasing the awareness/promotion of the region’s market segment, particularly in Europe, Christy recommends selected bean-to-bar models which have proven mutually beneficial for all parties in the cocoa value chain. For example, in Nicaragua a cocoa farmer/chocolate maker produces cocoa and utilises it for specialist chocolate and cocoa products for a tourist market. At one awards show, this Nicaraguan chocolate won high acclamations for best flavour. Another Nicaraguan example is commercial Danish project, Ingemann, with its Cocoa-ID™ initiative which creates awareness among chocolate consumers on the production side of cocoa, through a high standard certification system focused on the traceability of variety, origin, fine flavour and sustainability. And in Peru, entrepreneurs such as Arturo Urrelo Garcia of Makao Peru and Ivonne Alvarado of Exotic Chocolatier have gone beyond Lima and into export markets with their exotic chocolates. They have invested in modern processing equipment, high-end packaging and a range of ingredients for their chocolate, and their brands have become popular in many international food fairs as they make a sustainable contribution toward building an industry as well as their own futures.

But in the bean-to-bar success stories, the CARIFORUM community’s very own Grenadian model stands out the most. The Grenada Chocolate Company has been making chocolate using cocoa from resident farms as well as from local cooperatives for many years. Produced, packaged and sold to local and international buyers, the high quality organic brand of chocolate is shipped to the USA and UK markets on a sailing ship with no engine (an added appeal because of its low carbon foot print). This is one of the most direct models in the region and was one of the inspirations for founding Direct Cacao.

Looking ahead, Christy sees emerging non-traditional markets as new inspiration for his stalwart organisation. New bean-to-bar entities being set up in India and Lithuania and a trail blazing cocoa-to-chocolate company run by Swedish pioneer Bertil Åkesson, who owns cocoa plantations in Brazil, Madagascar and South East Asia, paint a positive picture for the future of the cocoa industry. Åkesson produces cocoa beans and chocolates. His Madagascan cocoa is a favourite among other chocolate makers and his chocolate collection is known globally for its exquisite quality and taste.

“Åkesson’s company is not very large but it is quite successful. This model is a good specimen for CARIFORUM cocoa producers. But this model

will only succeed with greater accessibility of Caribbean cocoa by the European and world markets. One way of increasing the accessibility of small farmer markets is congregation shipping, which enables small farmers to ship small quantities of cocoa as a group to one or more European buyers. Of course, for these innovative strategies to thrive, there must be collaboration between stakeholders within the value chain and facilitation of meetings between buyers and producers to devise the best systems to ensure mutually beneficial and secure ties between all stakeholders,” Christy opines.

Through the initiatives of the Direct Cacao Association and the other development hats he wears, Christy hopes to engage governments, institutions and stakeholders in this new cocoa renaissance. In the final analysis, Christy recognises cocoa and chocolate as the golden currency for CARIFORUM cocoa producers, but in order for the regional industry to soar through this advantage there must be a grand reinvention of the regional cocoa sector which puts Caribbean origin chocolate and cocoa in the ranks of grapes and champagne and their specialist market. Only then will the fine flavour cocoa-producing Caribbean reap the benefits of its rich history and flavour and become more competitive in European markets, the largest fan base for the best champagne and the best dark chocolates.



Lorraine Waldroft-Ferguson is a freelance newspaper columnist, adventure/travel journalist, agricultural economist, Director of One Seed For Change Initiative NGO and part-time lecturer at the University of the West Indies.



# company to look out for:



## Southside Distributors Limited

### Company Name

Southside Distributors Limited

### Website

[www.southsidejamaica.com](http://www.southsidejamaica.com)

### Directeur général

Denese Palmer

### Years in existence

9 years

### Location

Comma Pen Junction, St Elizabeth, Jamaica

### Product Summary

Southside offers a variety of high quality foods and beverages. The company manufactures and distributes 15 products, all made from

fresh fruits, vegetables and spices, under the "Southside" brand. The product line includes jerk seasoning, jerk sauce, solomon gundy, vinegar, bag juice, tomato ketchup and syrup, as well as a range of canned products such as ackees, callaloo, breadfruit, mango nectar, carrot juice and fruit juice.

### Marchés d'exportation

United States, Canada, United Kingdom

### Grandes réussites dans le domaine de l'exportation

Southside's CEO received the award for Female Exporter of the Year at the 2014 Caribbean Exporter of the Year Awards, hosted by Caribbean Export. Additionally, the company achieved export growth, from 58% to 81%, in 2013 and gained entry into the US, Canada, and the UK markets.

### Stratégie d'entrée sur le marché

Southside engages in a mixture of both direct and indirect exporting. In terms of direct exporting, the company seeks to tap into specialty food stores, gourmet shops and West Indian/ethnic food retailers in the target markets. The production and financial requirements needed to tap into these sources are not as high as is the case for large supermarket chains and hypermarkets. However, in order to gain access to large supermarket and hypermarket shelves, Southside uses a food broker. Essentially, a food broker ensures that the product is on the shelf, adjusts shelf space, handles complaints, pulls damaged products, rushes through unplanned orders, handles any special promotions or displays and monitors competitor activity. The broker should also be prepared to handle any other problematic situations, which may arise



# Southside DISTRIBUTORS LTD.



in the market. Additionally, some brokers even offer merchandising (planning promotions and keeping product on the shelf), computerised ordering and data collection services.

## Les plus grandes leçons apprises dans le domaine de l'exportation

1. Focus on sales, value and customer retention through the development of a strong company brand, as well as the formation of strategic partnerships. While branding is extremely important, partnering with large international distributors will assist in increasing sales volume while giving you the much needed time to work on your own market awareness.

Co-packaging has proven to be a successful area of partnership for Southside Distributors.

2. Always conduct a category assessment on prospective customers for your brands. In the case that you provide co-packaging as Southside does, then create a template to capture basic information such as competitive product assortment/variants, sizing, pricing, and shelf space allocated to the category and merchandising practices. Arrange a fact-finding visit or contact local distributors, market contacts, and your country's foreign trade office for insights into common launch strategies, costs to enter and margins. These store checks can help you estimate the "size of the prize" or you can purchase official category data from several programmes. Do your homework!
3. Always establish a meaningful Unique Selling Proposition (USP). Most markets will not support another "me too" brand. Meaningful new product innovations race across the globe in record time. The key is to review the competitive intelligence gathered during your market assessment (as stated in point 1) and sync with your own core competencies. What new can you bring to the category? Innovation, nutritional claims, sizing, pricing, incremental category profits, unique advertising, or "Heavy Spend Plan" all serve as meaningful USP alternatives. In the case of Southside, one example is our new jerk sauces that are flavoured with authentic Jamaican fruits (eight including tamarind, guava and pineapple).
4. Create a well-defined plan and stick to it! This includes all of the fundamentals: product assortment, pricing, communication, marketing support (in the case where your brand is being used you can send some flyers and recipes along with a shipment), trade channel targets, timeline for key activities, and measures.

## Soutien financier reçu

With the assistance of Caribbean Export, Southside Distributors Ltd has benefited from workshops in management training and marketing to name a few. The company has been partnering with Caribbean Export for years and participated in Breakpoint 2010 as a finalist in London, where our CEO Denese Palmer presented a pitch to potential investors and buyers.

Caribbean Export has been integral as a partner in Southside's growth over the years, as we have received technical assistance to develop a brand new website. We also received grant funding to carry out rebranding which could not have been possible without the assistance of the Agency.

## Name of Award Presented to your Company

Female Exporter of the Year Award 2014

## Facteurs clés de réussite

1. The team's ability to be committed and consistent in their duties.
2. Through continuous training of staff and also partnerships, we are able to retain our customers, be consistent in quality service and products, and the team shares in the vision and continues to be committed.
3. Strong relationships with our suppliers.
4. Increased sales in the Canadian market.
5. Increased production capacity.
6. Being able to get assistance from Jamaica Export Association, Caribbean Export and Jamaica Promotions Corporation.

## General Recommendation on Support Needed by Exporters

Exporters in general need consistent access to platforms to showcase their products across international markets, and even gain the opportunity to sell at these trade shows.

7. Exporters do not only need grants to bring our establishments up to international standards, but we must also be held accountable after receiving grant funding to get those standards realised.
8. We need constant market research on changes in the market, trends and new opportunities in potential markets.
9. Recommendations on steps to take to get a larger market share and be able to grow consistently.
10. The ability to import innovative machines that will facilitate enhanced mass production and decrease loss at a competitive price (criteria can be developed for same).



# New Cayman Islands Hospital Changing Caribbean Healthcare

BY BEVAN SPRINGER





Hospitals are associated with saving lives and easing the pain of patients. However, little thought is given to how hospitals emerge in one location over another; most assume they are a humanitarian institution surviving on fees levied, insurance carriers, deep pockets and the dedication of their staff. But they are far from being charities, even though many are nonprofit organisations.

A successful hospital, like any other dynamic enterprise, requires all the assets needed to build and maintain a successful business. And they are not permitted the luxury of failure, as too many depend on their sustainability. Can you name three hospitals that have closed in your lifetime? Now think about how many businesses you have seen shuttered during the same period.

Health City Cayman Islands is a privately owned enterprise which, once invited to set up in the Cayman Islands, did its homework diligently. It identified its market, assembled a smart partnership, collaborated with the host community, and provided world-class medical practitioners with tens of thousands of procedures under their belts.

But Health City also brought with it an X factor that made it stand out in a crowded international field: the iconic Narayana Health founder, India's Dr. Devi Shetty – the physician and cardiologist of the late Mother Teresa – who has been dubbed “the Henry Ford of Medicine” by the international media.

Appalled at the number of children dying from untended heart problems, the future saint

extracted from Dr. Shetty a pledge to work to ensure any child who needed it could get heart surgery. So the profits from Health City Cayman Islands are used to provide indigent children with free cardiac procedures, including 36 children to date from neighbouring Haiti.

So how did Health City identify its market to pay for these generous humanitarian activities? Dr. Chandy Abraham, CEO and Head of Medical Services at Health City and a member of Britain's prestigious Royal College of Surgeons, knew the market well – traveled people with disposable incomes.

“The market is enormous as the so-called boomer generation in North America is in their medically fragile years. They demand efficiency, a pleasant destination and lots of services, all of which can









be offered by the Caribbean. Medical tourism is one of the fastest growing sectors," he said.

This explains why the Cayman clinic exhausted so much effort on ensuring the maximum comfort of patients. Unlike other hospitals, Health City has large windows allowing in a lot of natural light, and generous views of the expertly landscaped gardens to boost the morale of patients. "Obviously, we all know happy patients recover much quicker. To make things even better, the Cayman Islands are less than two hours from Miami," Dr. Abraham said.

But he pointed out the catchment area for Health City extends far beyond the "boomers" of North America: "There is a demand for world-class and affordable care in every country. Many of their citizens enjoyed relaxing recuperative vacations in the Caribbean, so the region should look at those former tourists and invite them back to have their ailments attended to in a region they associate with good things."

**But Dr. Abraham pointed out the catchment area for Health City extends far beyond the "Boomers" of North America: "There is a demand for world class and affordable care in every country."**

For its smart partnership, Health City is a joint venture between Narayana Health and Ascension, two titans of the medical world.

Narayana Health is one of India's largest and the world's most economical healthcare service providers. Since its inception in 2000 by Dr. Shetty, the NH Group of Hospitals has grown to a healthcare conglomerate with a network of 23 multi-specialty and super-specialty hospitals and 25 primary care centres spread across 32 locations with 6,600 beds. The US-based Ascension is that nation's largest faith-based and nonprofit health system, providing the highest quality care to all, with special attention to those who are poor and vulnerable. Last year, Ascension, with 131 hospitals, provided US\$1.8 billion in care for persons living in poverty and other community benefit programs.

So, not only are the two health partners highly successful businesses, they are also both committed to serious humanitarian activities in their regions of operation.

Turning to collaboration with the local authorities, Dr. Abraham was unequivocal when responding to questions about the official support

they received.

"Completely supportive. Without the active support and valuable engagement of the Cayman Islands Government and the private sector we would not be having this discussion...It's always about personal relationships and the commitment of the host community. The Cayman Islands leadership quickly recognised the value of our capacity to the people, their communities and the territory as a whole, and acted very efficiently to create an enabling environment for us to provide world class healthcare."

And considering the economic power wielded by the partners, Dr. Abraham said aspects of providing an enabling business environment could only be done by governments.

"An enterprise like Health City had not been launched in the islands before so some laws were modernised to create the enabling environment," he explained.

"Construction of the current 101-bed facility took less than 12 months and cost US\$420,000 per bed, about one third the US average of US\$1.5 to \$2 million, despite the relatively high cost of real estate in the Cayman Islands."

Challenges remained, however, and despite the recruitment of local staff and the purchase of many goods and services in the Cayman Islands, Dr. Abraham said gaps remained.

"Obviously we had to import a lot of our specialised equipment but we have also been firm about the need to use local plant and human resources. This is tertiary healthcare, so we had to recruit and transport our highly skilled doctors and medical staff from abroad."

Dr. Abraham recalled legislative adjustments included a cap put on non-economic loss for litigation; the organ transplant law which helped with the transportation

of organs into the island; the immigration law to support people coming in to work in the hospital; customs laws with some duty waivers on equipment and medicines; and laws to enable Health City to sustainably handle its own waste outflow.

"All of these things really helped with us establishing ourselves here on the island and providing an institution that provides high quality care to this region," he said.

The skilled medical staff with unparalleled clinical and surgical experience was able to quickly establish its credibility, and Dr. Abraham said Health City Cayman Islands is now increasingly seen as a model for US health systems struggling to remain profitable in the face of razor thin margins and declining reimbursement.

With the Cayman Islands offering sea, sand, sun and skilled surgery, Health City, asserted Dr. Abraham, was able to take the lessons learned in India and apply them to a growing market off the coast of the US

mainland.

"We have instituted laser-sharp efficiencies in traditional hospital procedures which often date back to the last century. We cut costs by making the best possible use of resources available to us. By so doing, we are able to carry out far more procedures than a normal hospital. There are so many people in need of treatment in India, so the types of efficiencies we have developed are now being duplicated throughout the country. Narayana Health is internationally regarded as one of the world's lowest cost, highest quality healthcare providers. High volume drives cost savings, and Narayana has taken an aggressive approach to every component in the supply chain, which enables it to provide basic heart surgery for a fraction of the cost in the US. These efficiencies have been transferred to Health City Cayman Islands."

And the region benefits. "In the Caribbean there are a large number of islands that actually don't have all services and there is already a large amount of movement to other destinations for things like advanced cardiac care, advanced urology care and advanced orthopedics. And what this has done has actually helped us to provide some of these



## The Premier of the Cayman Islands stated that Health City “has put the Cayman Islands on the map” as a world class facility which also employs a lot of Caymanians and buys a lot of goods and services from local suppliers.

solutions here at very accessible and affordable costs, at the same time maintaining very high quality,” he said.

The director explained it is done is through “lean management strategies and looking at our supplies, looking at the way we deploy our human resources in such a way that quality is very high. At the same time we make it accessible to patients.”

And, how does this shiny new facility catering largely to foreign patients help Caymanians?

The Premier of the Cayman Islands Alden McLaughlin stated that Health City “has put

the Cayman Islands on the map” as a world class facility which also employs many Caymanians and buys a large volume of goods and services from local suppliers.

Speaking at a press conference marking the award of the Joint Commission International’s (JCI) Gold Seal of Approval to Health City Cayman Islands, Premier McLaughlin said the award meant Health City was now on the map for potential patients from all over the globe, and particularly the US where the JCI accreditation is highly regarded as one that ensures the highest quality of services within a healthcare environment.

The premier was delighted to note that “Health City now operates on par with its peers in the US, offering the same level of top quality healthcare as some of the best hospitals in the world. It means that overseas patients are safe in the knowledge that they will receive excellent healthcare.”

Premier McLaughlin pointed to the wider linkages of the hospital’s success and how a clinic dedicated to good human health can also help build a healthy economy which is the lifeblood of the destination.

“Health City is doing its part to ensure Cayman’s

Offering healthcare to international, regional and local patients, Health City Cayman Islands delivers excellence in adult and pediatric cardiology and cardiac surgery, cardiac electrophysiology, medical oncology, orthopedics, sports medicine, neurosurgery, minimally invasive spine surgery, gastrointestinal and bariatric surgery, pediatric endocrinology, and pulmonology services.





economy is robust. Not only will we see the number of tourists significantly increasing as patients and their families come to the Cayman Islands for healing and care, but ancillary services have already felt economic benefits. I am talking here of (national airline) Cayman Airways, hotels, hire car businesses, restaurants, shops and others who cater to those seeking out the excellent services of Health City.”

Dr. Abraham admits there are challenges running a multimillion-dollar facility in the Caribbean, especially when it comes to logistics.

“For a lot of the high-end work that we do we

require consumables which may have to come from various parts of the world. So the logistics of getting them onto the island can sometimes be a challenge. We’re slowly overcoming most of these and we’ve established supply chain lines so we can get them all of the time. Sometimes, for some of the personnel, especially in some of these high technology services, we do have some challenges in getting people on island, so we do have to look elsewhere to get some of these people in,” he explained, adding that Health City has been sourcing some of these from its institutions in India.

Dr. Abraham asserts that specialised hospitals

across the Caribbean will help address the healthcare needs of the region.

“I think that for the Caribbean as a whole, if you have competencies in one particular area, you may not have the kind of wherewithal to set up multiple areas. And what would be more ideal would be a hub-and-spoke kind of model where you may have flows into one particular area. So there could be other medical tourism destinations in the Caribbean and I think it is needed, but maybe with an emphasis on some things that are different from what is here, and this could be a good hub-and-spoke model.”



Bevan Springer is an award-winning journalist and public relations professional. He is the President of Marketplace Excellence, a public relations agency, and the Caribbean Media Exchange, a charitable organization focused on sustainable development, especially the role of media and tourism in sustainability.



# Is Compliance for Caribbean IFCs Approaching the Tipping Point?

BY JOVAN REID

With their domestic economies already hard hit by a tepid and uneven global economic recovery, international financial centres (IFCs) in the Caribbean have faced increasing challenges to their competitiveness through political pressure from countries of the Organization for Economic Cooperation and Development (OECD) to adopt regulatory standards: standards which, ostensibly, are aimed at protecting global economies from the erosion of their tax bases, and identifying the proceeds of money laundering in the international financial system.

While the cost of compliance is daunting to small Caribbean economies, and the exigencies of compliance financing have to be considered by governments in tandem with their own domestic demands for social services, the economic risks of non-compliance – evidenced in blacklisting, investor flight and threats to correspondent banking – mean that there is increasingly little choice but to comply. How Caribbean IFCs manage this dilemma will be fundamental to their continued viability, albeit that there is still no coordinative mechanism at the regional level to facilitate joint responses to the ever-changing global compliance regime.

## The benefits of IFCs to the global economy

The challenges in meeting regulatory standards and the political fallouts from IFC blacklistings

belie the symbiosis of the relationship between well-managed IFCs and the global economy. More than being just third-state destinations for offshore accounts, true IFCs focus on providing avenues for investors to maximise the money that they make on their investments through tax efficiencies, the provision of a professional workforce, and the extension of favourable allowances for the repatriation of investor profits to their state of origin.

The Barbados-Canada relationship is particularly demonstrative of this symbiosis. With as much as 8% of Canadian investment flowing through Barbados, Canadian investors who maintain a substantive business there and who demonstrate local employment are allowed to repatriate their profits to Canada tax-free, making Barbados particularly attractive to Canadian investors.

The value of IFCs also extends to their host economies. According to Connie Smith of the Barbados International Business Association, international businesses there generated over BDS\$1 billion in foreign exchange in 2014. Indirectly, international businesses also tend to improve the level of pay for the local workforce, as well as provide exposure to specialist on-the-job training that may not otherwise exist in the IFC's domestic economy. The intangible benefits of people-to-people exchanges between states, and the spinoff effect on the host country's built-up infrastructure to support international business,

top off the benefits of a viable international financial services sector.

## Costs vs. benefits of the international financial services sector

But are the benefits equal among Caribbean IFCs? Notwithstanding the Barbados-Canada relationship and a large financial services sector in The Bahamas, Caribbean IFCs are small players as far as it pertains to the global economy and their share of industries. For the most part, particularly for IFCs that are within the CARICOM bloc, the international financial services sector's value – while domestically significant – is far from what obtains in non-CARICOM IFCs such as Bermuda and the Caribbean UK dependencies.

Given this reality, experts have questioned whether the costs of compliance for small IFCs outweigh the benefits, and whether it may be better for small Caribbean IFCs to transition out of the financial services sector altogether. According to Francoise Hendy, international lawyer and tax/investment treaty negotiator for Barbados, "while it may be argued that it does not make economic sense to continue to comply with all these regulations, it may be that you have no choice in the end, because it affects your domestic banking sector, imports and foreign reserves." Hendy, who has consistently argued that small IFCs were far divorced from the epicentre of the financial services meltdown,





“The Secretariat proposed by Caribbean Export is important because the problem is that we have a number of states who are behaving as if they are together and coordinated, but technically the mechanisms and infrastructure for sharing information rapidly does not exist.”  
— Francoise Hendy

as opposed to their competing Western financial centres, highlights risks to correspondent banking, threats to Caribbean exports, and disincentives to foreign investment, if Caribbean IFCs fail to comply with financial regulations.

The insertion of the G20 into the international agenda on compliance through the OECD has seen compliance evolve from bilateral agreements to

multilateral conventions, which now require – as an example – daily, automatic information exchange on local transactions, and substantial infrastructural costs for technology, compliance personnel and the design of legal frameworks to accommodate new compliance rules. Information technology costs alone to meet compliance requirements have been estimated to be between US\$600,000 to US\$6 million, as there is no set timetable for the rollout of future compliance obligations.

“The thing with compliance is that it is not one-off. You don’t take a pill and it’s done. It grows, it’s like a mushroom effect,” Hendy cautioned, adding that the economic consequences of a G20 blacklisting for non-compliance are significant.

### An economic tipping point

Caribbean IFCs, due to geographic and political proximity, have cause to be jointly concerned about regional compliance, given that the viral nature of reputational damage means that the entire region is often tainted by one or a few of its blacklisted

Experts have questioned whether the costs of compliance for small IFCs outweigh the benefits, and whether it may be better for small Caribbean IFCs to transition out of the financial services sector altogether.

constituents. Investors in blacklisted territories will not benefit from investment reinsurance from multilateral investment guarantees, for example, and they may avoid such IFCs to minimise their risk. And because Caribbean territories are largely dependent on transactions in the US, every transaction done by Caribbean IFCs that involve a US dollar must be routed through a US correspondent bank – a bank whose confidence can be affected by such blacklistings.

Experts have cautioned that amid these challenges, Caribbean IFCs are quickly approaching a threshold where it will not be economically feasible to support the intangible infrastructure that has to attend international business and financial services, given that compliance requires the buildout of substantial local capacity.

Amid domestic challenges, such as the provision of social services on increasingly stretched national budgets, governments are faced with answering difficult questions on whether they can afford to maintain the profile needed for their countries to be successful IFCs, or whether they can afford to navigate the risks of non-compliance.

One way in which IFCs can ensure their sustainability amid these challenges is through the establishment of a secretariat that bolsters their capacity to

meet compliance requirements. Advocated by Caribbean Export, the secretariat would also sensitise Caribbean IFCs on the global compliance regime, functioning as a central coordinating body in the region for information sharing, funding, research and strategy development on behalf of its member countries.

Given the current state of flux in Caribbean IFCs, the importance of such a central coordinating body for a regional entity like CARIFORUM cannot be understated. Increasingly, consensus is building that amid the immense challenges facing the region in the context of the global compliance regime, the ability of the Caribbean to maintain its international financial services sector will fall largely on how well the region is able to meet its challenges, together.

Jovan Reid is a specialist in public policy analysis and media advocacy.



# A Quest from the New World: Accessing New Markets and Avenues for Caribbean Musical Acts

BY SHYAMAL CHANDRADATHSINGH

Within the established music industry, becoming an internationally recognised artiste is an expensive proposition. According to the International Federation of the Phonographic Industry (IFPI), in their 2014 Investing in Music report, the cost to break into the mainstream market can be anywhere between US\$500,000 and US\$2 million per artiste. Within the Caribbean context, this can be challenging for a number of reasons. The major music labels do not have a significant presence in the region, and the Caribbean is generally included in the Latin America divisions that are based in Miami, such as Sony, Universal and Warner, and focus on content creation for the large Latin American diaspora in the United States.

The Caribbean has therefore been forced to find its

own avenues to push and promote its music. Jamaica has been the most successful, generating over US\$2 million per annum in music exports through reggae and boasting the highest per capita studio rate in the world. Citing data from IFPI, it is evident that a record industry is built through investments in indigenous acts. For example, in the six largest music markets globally (Japan, Italy, Sweden, US, Brazil, Spain), the percentage of local acts in the top ten was over 85%. Caribbean governments and private sector music industries have a considerable amount of work to do when it comes to promoting and achieving the export of music in partnership with artistes, such as enacting local content quotas and music-specific export development programmes like Brazil Music Exchange or the British Music Export Growth Scheme. In the case of the latter, which is

administered by UK Trade and Investment and the British Phonographic Industry (BPI), the UK is bolstering the competitiveness of its music exports by investing in promotional budgets for record labels and acts. Even though the British recording industry exported £17 billion in music in 2013, it still sees the need to continuously develop new acts that are capable of generating foreign exchange and revenues for the country. It is strongly advised that regional agencies adopt similar approaches to spur growth in the music sector, given the limitations of potential audiences created by the small populations in Caribbean islands.

That said, in today's world, there is no need to wait on the government apparatus to provide a solution. For the past 25 years, VP





## When looking at expanding to new markets, what many musicians will neglect is to look to expand their home markets first.

Records, based in Jamaica, and New York, has been a dominant force in exposing Caribbean content to a global audience, releasing around 50 albums a year from the most established regional acts. Their advantage has been access to the distribution channels in the United States and globally to put their product within reach of consumers. However, other than the relative handful of artistes that have access to VP, there are many more artistes and independent record labels in the Caribbean who are looking for ways to increase the reach of their music.

At the same time, there is demand for new music as well as continued demand for back catalogue. Streaming accounts for 25% of revenue generated by the music industry and approximately 250 million albums are sold each year globally. The move to online consumption of music has some significant benefits for emerging artistes. Online streaming and sales allow the artiste to understand what types of music and artistes are popular in which markets. This can demonstrate which market may be most relevant for them to target with their music. The statistics also help the artiste compile the sales and impression statistics that prospective promoters and record labels will be looking for. Tools like Spotify, iTunes charts, Shazam, and Bandsintown can provide specific metrics.

The Information Technology revolution of the 1990s and the advent of social media have presented a wider reach to artistes today than has ever been possible. In the age of the Internet, success is possible where an artiste with a quality product can inspire people to share their product, thereby creating millions of impressions. In other words, the sheer accessibility provided by the Internet means that an artiste can release content directly to a global audience, but it is important to stand out. Artistes need a strong web presence to disseminate content, and a strong

social media presence to engage fans and promote new releases.

When looking at expanding to new markets, many musicians neglect expanding their home markets first. The overall cost of expanding one's home fan base is substantially cheaper than going abroad. While social media is an excellent tool for expanding overseas, it is also a great tool for expanding locally as well. Essentially, engagement is key. Tools such as video blogs or Instagram are excellent for developing content and can be utilised by fans/friends to introduce new people and music acts. The principle reason to build an artiste's fan base is that internationally, labels and promoters are heavily numbers based and a sizable local demographic is their first indicator of the potential for an artiste to be successful.

In essence, the Internet provides a true litmus test for emerging artistes. The Internet is an enabler that has allowed artistes and labels to focus on music creation without significant middlemen, while allowing for domestic and international distribution almost instantly. In the past, this same music might not have had an outlet for radio play or distribution, but if the musician can focus on releasing a quality product then it may be possible to have the song gain a viral following. Caribbean artistes can benefit from this Internet revolution even outside of the traditional genres of soca and reggae, which have generally received the most attention from the region.

However, it is critical that the music produced by the artiste is of the highest quality. When an artiste decides to compete for a share of the lucrative markets such as the US, UK, Canada, Europe, and South America, the competition is vastly increased. While there are approximately 7,500 acts signed to the major labels, there are hundreds of thousands of acts vying to be the new signed act, and many

of those will sign to an independent label or self-release content.

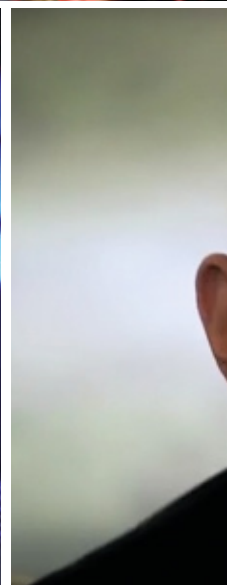
There are examples of Caribbean artistes who have achieved fame or recognition through non-traditional methods. Bunji Garlin is one such artiste. A soca powerhouse for almost two decades, his song, *Differentology*, caused ripples throughout the global music industry in 2013. At one point the song was one of the top searched songs on music matching service Shazam, as people throughout the world clamoured to find out who was this person with the big voice urging them to "get ready". What is special about the *Differentology* experience is that Bunji demonstrated that in today's interconnected world, through social media, a quality song can reach an international audience without the backing of a record label or other supporting firms that cost up to US\$2 million, as previously mentioned. Recently, Bunji played at Central Park in New York and Glastonbury in the UK (Jamaican reggae star Chronixx also played at the festival this year), both of which are not venues normally associated with Caribbean music.

There are many people who see a silver lining when it comes to new markets for Caribbean music. One clear area for expansion is on the African continent. Since Caribbean music has strong roots in West African musical tradition, the rhythmic structures and sound of Caribbean music would hold some appeal. This market, although having sporadically hosted reggae artistes over the years, remains relatively unexplored. In addition to the traditional performance avenues, there are opportunities to license music for television, film, copyright, and digital and telecommunications platforms.

There are 200 million people between the ages of 15 and 24 on the continent, according to the UN Economic Commission for Africa, making it the



Finding new markets can also be about identifying niche areas in larger markets. For instance, it is entirely plausible that the reggae listening demographic in India may be larger than the population of the Caribbean





There is also Spanish and Portuguese reggae and music like mumbaton and reggaeton, which share common roots with soca and reggae. In addition, there is a growing market for Caribbean music in China.

youngest population in the world. While Internet penetration rates for the continent remain low, according to the International Telecommunication Union, there are specific countries where the number is higher and rising. These include Nigeria, Egypt, Kenya, Morocco, South Africa, and Madagascar. One of the best strategies to access the market is to identify an established promoter, booking agent or publicist who can serve as a conduit for entry. In addition to booking shows, the promoter will be in a position to organise radio airplay, showcases and media tours to familiarise the target demographic with the artiste's music. While the Internet is an important tool, taking a holistic approach that also focuses on opening new avenues for touring and radio placement is critical to success.

Finding new markets can also be about identifying niche areas in larger markets. For instance, it is entirely plausible that the demographic listening to reggae in India may be larger than the population of the Caribbean. Right next to the Caribbean region, Latin American countries are barely seen as potential markets, despite many years of being end markets for English music from the US, UK, and Canada. There is also Spanish and Portuguese reggae and music like mumbaton and reggaeton, which share common roots with soca and reggae. In addition, there is a growing market for Caribbean music in China.

Another tool that can be very effective in reaching out to these new markets is collaborating and making connections with the arts community in the target country. In fact, given the traditional openness of the arts community to accepting new music and art, forming partnerships with visual

or dance artistes in a target market could be an excellent way to create buzz and awareness. This is, once again, made easier by the strong social media presence of most artistes.

Another niche market that can be further exploited is the Caribbean Diaspora which is over 10.7 million. While they have been engaged around annual events, there is much greater potential in non-seasonal performances and in using the Diaspora as a connector to other people through social media and personal interactions. Second and third generation Diaspora members may love the music of their parents but may not know how to connect with emerging artistes from the Caribbean.

Doing the research and understanding the market that an artiste is targeting is the key to success. For example, some markets may consume more live music than others. Some markets are more traditional consumers of music through radio or album sales while others are fully digital.

With so many potential avenues for reaching new markets, spending the time to research and approaching market penetration from a place of knowledge is the key to that elusive breakthrough. Billy Grant is the Managing Director of 2Point9 Records and Management, and a big proponent of emerging source talent markets. He sums it up best: "The key is, whatever music you are making, it has to have value in whatever market you are looking to sell it in. There are a number of ways of creating value, and those normally will involve a long-term creative strategy from the musician and his or her team."

Shyamal Chandradathsingh is the Vice President of Investor Sourcing at InvesTT Trinidad and Tobago. He is also a professional musician and audio engineer, having worked with many top shelf artists in Trinidad and Tobago. Having lived and worked in the United States, Canada, India and China, Shyamal has a wealth international experience and language skills which he brings to bear in his professional capacity.



# Building the Machel Montano brand

BY TISHANNA WILLIAMS





Machel Montano is not just a soca artiste; he is a constantly evolving brand – a brand that began as a dream, nurtured by his mother Elizabeth ‘Lady’ Montano and father Winston ‘Monty’ Montano. With every additional success, Machel further weaves himself and one of the Caribbean’s major musical genres, soca, into the fabric of world culture.

There is perhaps no one – apart from Machel himself – who knows that journey better than Elizabeth, the ever visible yet quiet, supporting force behind the superstar. She has functioned in various roles in her son’s career, and continues to be an integral part of the strategic planning, research and implementation required to build his brand.

From the outset, says the former teacher and guidance counsellor, when it came to her son’s potential trajectory, she and her geologist husband, who later became Machel’s first manager, were on the same page.

“We had the same revolutionary, out-of-the box ideas and that set the example for our children,” she said.

Machel’s success is tangible. He has used his music and 33 years of experience in the business to build a multifaceted franchise inclusive of merchandising, annual events, the “EPIC” Carnival, alcohol beverages, and the list goes on. And the accolades are pouring in.

Elizabeth beams with pride when she speaks of the journey to this point. But she admits it was not a smooth ascent to this pinnacle of success. When they first started out in the 1980s, they met much opposition,

“He was considered too young to be performing. Calypso and Soca just weren’t grabbing the young people.”

Nonetheless, supportive of Machel’s dreams, Elizabeth and Winston began to work towards

his artistic development. This required bridging the existing musical generation gap. They knew he had the talent. Thinking back to those early years, the question was, “How do we make him a household name?” They began researching and implementing internationally successful music industry branding and marketing trends, always ensuring their campaigns had enough of an extra edge to make them stand out.

It was here that the branding of the boy that would eventually become one of the most recognised names in the Caribbean music industry began. It was 1989 and Machel – who was fifteen at the time – had already been blazing a trail with a debut album “*Too Young To Soca*” (1985); appearances at international competitions such as

and the prodigy began to take a lead in developing his brand, allowing his parents to take on a more supporting role. They had laid a good foundation and developed their son in a way that resulted in him not only being a perfectionist but developing a drive to surpass whatever existed.

As the foundation of mobilizing and mapping out Machel’s success was laid, his team coined various names for different aspects of his brand and cross collaborating with local and international acts popular in different countries and genres. Name re-branding is becoming big business worldwide, with entire companies focusing on the research and development of a name. In Machel’s case, the name rebranding came along with the evolution of the artiste himself. He has moved through

Machel Montano, “Double M” and, most recently, Monk Monte. His Xtatik band, initially comprising just musicians, is now Machel Montano HD, a complete machine with a dance troupe and audio-visual team that literally follows him wherever he goes.

They also took the music forward via collaborations. Travelling internationally first brought Machel into spaces shared by dancehall icons Shaggy and Beenie Man who were topping the charts at the time.

“We introduced them to the other parts of the Caribbean they may not have been reaching and they, in turn, opened Jamaica up to us. We kept doing this over the years in different spaces. To date, top acts such as Doug E Fresh, Sean Paul, Beenie Man, Pitbull, Wyclef Jean, Boyz to Men have shared work with him, as well as Timaya, Demi Lovato and Angela Hunte,” Elizabeth says.

When her husband had to spend more time abroad due to work, Elizabeth took up the reins as manager. All the while they tested new managers, but just never found the right fit, so Elizabeth continued to steer the Machel brand until 2014.

However, as would eventually happen with any smart strategist and caring parent, Elizabeth

## Machel’s success is tangible. He has used his music and 33 years of experience in the business to build a multifaceted franchise.

the *Trinidad & Tobago National Song Writer’s Festival* (1986) and *The Barbados Caribbean Song Festival* (1986); and a performance at the world renowned *Madison Square Garden* in New York City (1984). At the time, his band *Panasonic Express* comprised of him, his brother Marcus and some neighbours.

“We needed a new, catchier title by then,” Elizabeth says. “And so, due to the hard work of Winston, who was Machel’s manager at the time, Xtatik was born.” The name was an acronym for a longer title: Express Trinidad and Tobago International Kings. For the team, the new moniker embodied the idea of a musical rapture.

“We created themes around the name, including branded merchandise, performances and other ventures. Xtatik became a household name.”

Elizabeth adds quickly, and without remorse, that when it came to her son’s career and music, the goal was never just Trinidad and Tobago. Even at a young age, Machel desired international stardom





**MACHEL  
MONTANO**





## This is a competitive world. You will eventually reach a level where the 'know-how' may not be enough.

reached a point where she recognized she just couldn't take the band where it needed to go, and the search for the right person to take over began in earnest.

"I was able to take him to the Diaspora, but when it came to moving forward, I couldn't take it further," she admits.

Luckily, noted photographer and producer Che Kothari, who also manages new age reggae icon Protoje, came into their lives and agreed to take over as Machel's manager.

"Machel's sense of branding is built on maintaining relevance and right now we are in the digital age. Everything is about technology. Che is much more knowledgeable in this area."

Not only is Machel moving into the technological era in a big way with a revamped website, live streams, digital media and a recently launched app, but Elizabeth is also ensuring the legacy and history of the journey remains and the Machel Montano Museum was this year added to the franchise.

"I have everything from since we started. Nobody taught me to do that. We researched from early and learnt that cataloguing was important," she says.

So what has Elizabeth learnt from her years as both a mother and integral part of arguably the most successful human branding initiative in the Caribbean?

"I learnt firsthand what is necessary to build a successful child. Support and parenting play a huge part in a child's success. Machel always had a massive support system and was able to build up the core values needed for success. I look back now and see the effects of good parenting."

With the eyes of the world tuning into Caribbean music, due to the two consecutive Best International Performance titles copped by soca artistes at the BET Soul Train Music Awards, various government and private Caribbean bodies are also beginning to look inward at the marketability of the art form. Elizabeth however stresses that artistes need to ensure they are equipped with the necessary skills and business acumen to stand above the rest, as she has ensured her son does.

"It has to start with the artiste. You have to prepare a product worthy of notice. On this end, people are very wary about financial backing but you too have to invest in yourself. We started 33 years ago and it has always been important to us to do this. Managers and management teams need to be in place. So many artistes do not have something as simple as a bio. Also, proper skills are also necessary, not only on how to manage the business but how to manage your sound. Machel studied Engineering and Production in Ohio and we surround ourselves with trained persons. Trinidadians are good with hands-on learning but we need certification. This is a competitive world. You will eventually reach a level where the 'know-how' may not be enough."

Already, initiatives such as the music arm of the State-owned Trinidad and Tobago Creative Industries Company Limited (CreativeTT), MusicTT, have created workshops on song writing, music production, IP valuation, etc. and the prototype has been conceptualized, tested and determined by the work of the Montanos.

"There are a lot of people interested in Machel right now and looking to see who else is coming. Soca is happy, celebratory music and people need that positive vibe around the globe. The world is ripe for our music and now our artistes and industries have to prepare," Elizabeth says.

Tishanna Williams is a Lecturer at the University of the West Indies and Journalist with Guardian Media Ltd (TT) and LargeUp (NY/JA) whose work was recently nominated for the CTO Caribbean Media Award (NY).



# Shaggy: The Man, the Musician, and the Maestro

BY LISA STIEBEL





What many may not know is that Shaggy is a veteran of the Persian Gulf War, serving in the US Marine Corps in Desert Storm. He attributes this experience as his inspiration for Boombastic, which earned him a Grammy Award for Best Reggae Album in 1995.

Bursting onto the musical scene in the 1990s as 'Mr Boombastic', musical icon Shaggy has thrilled audiences with his smooth baritone voice and rugged good looks. We have come to affectionately know him as Shaggy after Scooby Doo's sidekick, for his shock of hair, and charismatic personality; but he was actually born as Orville Richard Burrell, on October 22, 1968.

Shaggy was created with a special gift to offer the world. He has undoubtedly been an instrument of change in transforming the face of contemporary reggae, fuelled by a passion and love for his people, his music and his purpose. His career has reflected not only his dynamic musical talents, but also his determined and tenacious spirit to be a pioneer in the business of music transcending generations. In some spheres, he is considered the biggest crossover success in dancehall reggae.

Shaggy's childhood ambitions were to become a fireman, like most little boys with adventurous and curious spirits. However, after seeing one performance by King Yellowman, he caught the music bug. The multifaceted musician, songwriter and deejay is still writing his story. Today, Shaggy is a not only a sensational singer, but a happy husband, fantastic father, booming businessman, aspiring actor, and passionate philanthropist.

What many may not know is that Shaggy is a veteran of the Persian Gulf War, serving in the US Marine Corps in Desert Storm. He attributes this experience as his inspiration for Boombastic, which earned him a Grammy Award for Best Reggae Album in 1995, two years after the release of his debut album, Pure Pleasure. More success was around the corner, as he went on to record hit after hit for the next two decades, propelling him to international fame. In 2000, Hot Shot was No. 1 on The Billboard 200 and UK Album Chart.

The diamond-plus recording artiste has proven his 'Out of Many, One Music' acclaim, with a protean portfolio of offerings. Shaggy has performed alongside the likes of Michael and Janet Jackson;

penned a song for the Union of European Football Association (UEFA) Euro 2008; contributed a song for a Pepsi commercial; and in 2009, recorded the single, Fly High, which was used in a television commercial for Ferrero Rocher's Ice Cream Bar. Shaggy is also the first dancehall artiste to perform in South Africa following the abolition of apartheid.

These opportunities opened doors to the European and African markets, exposing his genre of music to receptive audiences who preferred slower melodies and the songs performed in their entirety – unlike his West Indian counterparts' passion for "pulling up" the tunes mid-way. Shaggy's ability to acknowledge and entertain his audience has caused him to further break barriers worldwide, taking reggae music to new heights in Pop, Rap, and R&B Charts, and reaching platinum record sales in the US.

Through the years, Shaggy has successfully reinvented himself and is a source of inspiration for upcoming talents.

"Firstly, as an artiste, you must have a marketable brand that can be received by the masses, attract sponsorship, and then fiercely protect it. Be very careful with your actions to stay pure to that brand," he says.

The affable businessman identifies a solid work ethic and a likeable spirit as two key factors for success in the music industry, adding that an artiste must be articulate, charismatic and be able to sell his or her talent. In essence, he says, they must believe in themselves.

"You are [only] as good as your last record. To stay at the top in this business, you always have to reinvent yourself and be one step ahead of the game. An artiste has to be able to bridge the generational gaps. There is no such thing as co-existence, there is no room for two 'hot' artistes; one takes the spot until they are replaced. There is always someone else waiting to fit your shoes. Everything is just for a while... so make the most

of your moment, as the business of music is always changing," he advises.

Shaggy went on to explain that because music is alive and dynamic, artistes must be prepared to evolve along with it.

"As the industry is very technology driven, there will be associated challenges. From the sale of records and cassettes in the 1980s and 90s, to the hits and downloads on iTunes within the past decade. This business has changed dramatically," he notes, as he encourages his music colleagues to remain on the cutting edge and stay informed of industry trends.

Another aspect of the industry that Shaggy believes an artiste must be very knowledgeable about is Intellectual Property (IP). This refers to the creations of the mind: inventions, literary and artistic works, designs and symbols, names and images used in commerce.

"An artiste's IP is protected in law by patents, copyright and trademarks, which enable them to earn recognition or financial benefit from their works. There is also the need to merge creativity and innovation in an environment that serves both the artiste and the audience," the singer points out.

Having pursued music as a career, Shaggy has had the experience of not only song writing and performing, but also the establishment of Big Yard Music Group, playing an instrumental role in the careers of artistes such as Brian & Tony Gold, Kiprich, Rayvon, Rik Rok, Voicemail, Richie Loop, and Christopher Martin, among others. His words of advice and encouragement also propelled long-time friend and mentee, Tessanne Chin, to participate in and then win The Voice competition in December 2013.

His advice on staying on top of the game?

"Do extensive market research on the latest trends... [because] you must first fully understand your





Only Love is my gift to the world. We make records, we think global, and it's my hope that this song will bring love to everyone and touch them in a special way.

market before you can conquer it. Analyse your competition and assess where and how you fit in . . . yet always strive to be different. Be a head turner, and shine your own unique light. With the world becoming smaller, and with the dynamism of technology, Caribbean artistes must consider their niche markets," Shaggy says.

He also says it's important to get a good lawyer and representative who will keep you informed of everything pertaining to your career. And a loyal and efficient manager or agent is also a vital note in the song of success in this industry, the music veteran adds.

The multinational maestro maintains that the US market remains the biggest window of opportunity for Caribbean music. Not only because of the sheer size of the population, including a large West Indian Diaspora, but also because it is a fast market in terms of sales and

exposure. Shaggy points out that there is a new global resurgence of 'cool Caribbean reggae', with some of the top international artistes releasing interpretations of reggae with great public appeal.

"As regional pioneers, we must capitalise on this worldwide attention and let our music be heard . . . we are the authentic! If, as a region, we could incubate and export this immense new talent coming out of the Caribbean, collaborating the plethora of voice and style, we would dominate the music industry on the world stage," he contends.

The Commander of Order of Distinction (CD) honouree exhibits his philanthropic passion through the Shaggy Foundation, raising some US\$1.6 million to date for the Bustamante Hospital for Children. A visit to a friend's son, who was a patient there 15 years ago, catapulted him to action. Then in 2009, while visiting the hospital, a distraught father took Shaggy to see

his nine year-old daughter, whose life was being sustained by an incubator donated through Shaggy's Foundation. This inspired him to do more, and that year the first Shaggy and Friends Benefit Concert was hosted, raising just over US\$300,000. In 2014, the concert raised US\$700,000 and, according to Shaggy, the aim is "to far exceed the last goals set".

Shaggy's latest collaboration, with Pitbull and Gene Noble, has given audiences the single Only Love.

"Only Love is my gift to the world. We make records, we think global, and it's my hope that this song will bring love to everyone and touch them in a special way," he says.

As Shaggy continues to love and create as he was divinely created to do, the world will continue to listen, learn and love.

Lisa Stiebel is an architect by profession and artist at heart, with a passion for the creative arts. She is a graduate of Howard University, and specializes in Interior and Mural Design.



clearing the hurdles





# The Caribbean Creative Industries Management Unit: Addressing the Needs of the Region's Creative Sector

BY JOELLEN LARYEA





The creative economy is not only one of the most rapidly growing sectors of the world economy, but also a highly transformative one in terms of income generation, job creation and export earnings.



The Caribbean has a proud history as creators of music and art, with increasingly more artistes bursting on the scenes each year in the hopes of not only becoming household names in their home country and the wider Caribbean, but of also crossing over to the international market and becoming a global icon. The presence of a creative and cultural sector within an economy has been seen to significantly contribute to wealth creation, employment generation, and poverty reduction in the region. Moreover, the creative industries are widely accepted to be a growth sector globally, following reports from organisations such as the United Nations Educational, Scientific and Cultural Organization (UNESCO), which reported an annual average growth rate of 8.8% during the period of 2002-2011. The UK, for example, has seen its creative industry double in size over the last ten years, and is forecast to grow significantly within the next decade. In fact, governments internationally are recognising the promotion of creativity as a key method to promote economic growth.

The creative industries have been outlined by the UNDP to be “the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs. They comprise a set of knowledge-based activities that produce tangible goods and intangible intellectual or artistic services with creative content, economic value and market objectives” (UNCTAD/UNDP, 2008, p.4). At the 26th CARICOM Heads of Government Intercessional meeting held in the Bahamas in February 2015, the development of a Caribbean Creative Industries Management Unit (CCIMU) was prioritised as a priority item on the Community’s agenda. Former Prime Minister of Jamaica, the Most Honourable P.J. Patterson was given the responsibility to Chair a working group to realise this goal, and Caribbean Export has been charged with the lead role in the development of the CCIMU that will focus initially on music, fashion, festivals and animation.

Growth in developing country exports of creative goods was reported to average some 12.1% between 2002-2011 by UNESCO and in 2010, the Bank of Jamaica reported that Jamaica earned US\$23.8 million from cultural services, which is more than the earnings from services in finance, business, insurance and construction combined. The Bank also noted that reggae icons like Sean Paul and Shaggy earn more annually than Jamaica’s banana industry. UNESCO and the United Nations Conference on Trade and Development (UNCTAD) indicated that in Trinidad and Tobago,

the creative economy contributed approximately 4.8% of GDP in 2011 and approximately 3% towards employment. In Saint Lucia the contribution of the sector to GDP has risen to 7.8% of GDP in 2010 from 3.2% of GDP in 2000.

In spite of these impressive results, the Caribbean remains significantly challenged in increasing the sector’s contribution to sustainable development due to the lack of strategic and focused management, limited financial resources, insufficient market intelligence and branding, poor linkages with the local tourism industry and weak data collection. As noted by Executive Director of Caribbean Export, Pamela Coke Hamilton “the biggest gap has been the absence of a structure that looks at the monetisation of the creative industries for the region.” It is hoped that the implementation of the right infrastructure and enabling environment to support the creative industries, through the establishment of a CCIMU, will realise the potential gains of the region’s creative sector. Currently, as pointed out by Coke-Hamilton “we have nothing in place that actually measures or gives tangible voice to what needs to be done, how or what data can be collected, how it can actually be monetised, and how we can benefit from intellectual property value in the creative industries. Furthermore, we need to consider the means by which we can have a strategic engagement at the regional level to promote the Caribbean creatives, and how we can ensure investment and financing. In constructing the CCIMU we must address the issues of establishing and utilising a digital platform and creating an institutional framework that enables the creative industry to become a vibrant viable sector that has a coherent and cohesive framework for development.”

The Caribbean does however have some national bodies and regional organisations such as the Copyright Society of Composers Authors and Publishers Inc. (COSCAP) which work with composers and artistes in an attempt to collect royalties, but the absence of a single body with a regional framework to manage the entire creative industries, pulling together all of the necessary elements required to effectively represent the artistes’ interests and achieve the monetary possibilities, is absent. It is envisaged that the CCIMU would be responsible for the collection and increasing the availability of data on the creative industries, which is often needed to access finance for the creative sector, particularly for SMEs. Moreover the CCIMU would work to enhance trade and export development for the regional creative industries sector by facilitating the registration and protection of the IP of the Caribbean.



The issue of IP is certainly high on the agenda for the CCIMU with the aim to manage the registration, regulation and the enforcement of IP. To achieve this, there will need to be a harmonised or central legal framework through which rights associated with literary and artistic works, performances, of performing artistes, phonograms and broadcasts, industrial designs, trademarks, and patents at a minimum, can be registered. There will need to be collaboration with national or regional institutions such as the Association of Caribbean Copyrights Societies (ACCS), which represents the region's collective management organisations. Within the CCIMU, the data collection arm will maintain a registry of all registered IP in the region requiring a trained workforce knowledgeable in this area who can work with financial institutions on IP valuation. The increased development of the region's creative industries will support job creation in the areas of supplemental roles giving need for the management of technical training in the sectors at the secondary and tertiary levels, as well as in arts administration, management and cultural entrepreneurship. An alliance with international institutions to facilitate exchanges and provide scholarships would also engender growth of an effective skill based industry to support the sector.

Another key driver for work in the creative industries is the omnipresence of the online world in everyday life. The creative industries have been both at the forefront of heralding a new digital age, through the creation of video games and the cross-over between creativity and technological innovation in the start-up sector. Globalisation and the convergence of multimedia and telecommunications technologies have transformed consumers from passive recipients of cultural messages into active co-creators of creative content. Digital distribution in industries such as design and music has transformed global markets and allowed new industries and consumers to emerge in developing regions. According to PricewaterhouseCoopers (PwC), it was estimated that licensed digital distribution of recorded music would rise from US\$653 million in 2005 to US\$4.9 billion in 2010, which represented a 49.5% compound annual increase. In fact, digital music revenues rose from US\$400 million in 2004 to US\$3.7 billion in 2008 and US\$5.9 billion in 2013. Moreover, PwC has revealed that it has since been estimated that digital recorded music revenue will overtake physical in 2015 and streaming will overtake downloads in 2017, thus consumer spending will be on digital formats and services.







In the case of the Caribbean, the onset of the digital music industry has mirrored this trend with the retail of CDs diminishing to the point that there are very few retail points still in existence but unfortunately, the digital sales of regional music are nominal in comparison to past achievements of physical music sales. This is believed to be a result of the low levels of penetration in the major digital distribution channels and the absence of the development of major players in the digital space regionally. Thus, the CCIMU must encompass a business model that is capable of penetrating the digital arena addressing the e-commerce and digital services needs that are expected to continually grow.

Aside from the music industry the other digital platform poised for significant growth is the region's animation industry, following the provision of outsourced services to international animation companies. Currently leading the way is Trinidad and Tobago, which forecasted in 2010, growth of its animation industry by 12% and a guaranteed return on investment for investors. The development of a digital platform within the remit of the CCIMU will be critical for a successful data observation, the development of business linkages and for the promotion of generally 'all things creative' ensuring that all artistes whether musician, art producers, animators, fashion designers amongst others, receive the financial benefits from the use of their creative impressions.

What will be key however to the success of a CCIMU will be the buy-in from the creative stakeholders. Coke-Hamilton stressed that "it cannot be another government-run entity" and the drivers ought to be the players in the industry coming together with a willingness to support an institution that will work for them much in the same way as the West Indies Rum and Spirits Producers' Association (WIRSPA) and the Caribbean Banana Exporters' Association (CBEA). Although the business plan is yet to be developed, the CCIMU is envisaged to be a self-sustaining body based upon dues paid and collected. The region has seen this model work effectively with the Caribbean Hotel and Tourism Association (CHTA), which is also maintained by its members. As has been seen in any institutional framework that has worked well, members maintain the organisation that represents their interests and advocates on their behalf. With the CCIMU, creative professionals must do something similar.



JoEllen R. Laryea is the PR, Communication and Marketing Advisor at The Caribbean Export Development Agency and offers a wealth of international experience having worked with leading brands Nike, Sony and Apple.



# St Kitts and Nevis: The Greenest Place on Planet Earth?

BY GARRY STECKLES

According to a Massachusetts Institute of Technology study, the earth's intense heat – about 5000 degrees Celsius at its core, 6000 kilometers below the surface – continuously generates an estimated 44 terawatts, or trillions of watts, of heat. That's approximately three times the entire global population's total energy use.

Picture this: A tiny tropical island, breathtakingly beautiful, steeped in history, an exclusive haunt of the rich and famous, blessed with an abundant source of affordable, squeaky-clean, never-ending energy that generates so much

electrical power it can export what it doesn't need and no longer have to import expensive, environmentally unfriendly diesel fuel.

This may sound too good to be true, but it's a scenario that's on the verge of becoming a reality in Nevis, the smaller of the two islands that make up the federation of St. Kitts and Nevis, the tiniest independent nation in the Western Hemisphere. With a population of around 12,000, this 36-square-mile dot in the Leewards – birthplace of both the Caribbean tourism industry and one of the founding fathers

of the US, Alexander Hamilton – is poised to start drilling before the end of this year for a geothermal energy plant expected to go into production in 2018 and to transform the island's fragile economy, which currently relies largely on how many of its 400 or so hotel rooms are occupied.

The plant's objective is straightforward: to harness high-temperature steam rising from a large, inexhaustible geothermal reservoir below the island's surface and turn it into electrical energy. The steam will be directed through a





When the 10 Megawatt (MW) geothermal power plant comes online in 2018, Nevis will become the greenest place on planet earth with fully 100 per cent of its electrical power supplied by renewables.

turbine that turns an electrical generator to produce that energy.

And while the Nevis geothermal project is by no means the only example of these sister islands embracing alternative sources of energy – St. Kitts' RLB International Airport is powered by a solar farm at the end of the runway, another solar farm is about to start production, some of the federation's street lighting is solar, Nevis has a solidly established wind farm and many of the country's biggest businesses are increasingly green – it's far and away the most important.

The Honourable Mark Brantley, St. Kitts and Nevis Minister of Foreign Affairs, has been closely involved in moving forward with the Nevis geothermal project, and he expects it to be a game-changer for the island, significantly beneficial for St. Kitts and eventually a source of clean, affordable energy it can export to neighbouring Eastern Caribbean nations.

According to Minister Brantley, "Nevis is a front-runner for geothermal development regionally and we feel that this project has the potential to transform the island. Already with an existing

wind farm and a soon-to-be-commissioned waste-to-energy plant, Nevis will by 2016 have one third of its baseline power needs supplied by renewables. When the 10 Megawatt (MW) geothermal power plant comes online in 2018, Nevis will become the greenest place on planet earth with fully 100 per cent of its electrical power supplied by renewables. This is consistent with the aspirations of the island to become a model for sustainable energy development globally."

It's no coincidence, by the way, that the plant will have an initial target output of 10MW; that's







St. Kitts and Nevis, like the other Leeward Islands, stretching from the British and US Virgin Islands south to Dominica, are “ideally positioned” for geothermal energy development.

the amount of energy Nevis uses in a year, give or take a light bulb or two. Minister Brantley is also confident that the economic impact of geothermal will be substantial. He predicts lower power costs for businesses and homes resulting in more disposable income, which can be used for household expenditure on goods and services or business expansion. Expensive power has been consistently identified as one of the major inhibitors to business expansion in the region.

Nevis has already attracted interest from light manufacturing operations which want to take advantage of lower energy costs. Expectations are that this will continue allowing Nevis to diversify its economy. Another expectation is that electric cars and scooters could become the main modes of transport. Nevis is envisaging cheap, clean and plentiful power being a boost to its important

tourism industry, with environmentally conscious travellers gravitating toward the island as a model for sustainable development and a destination where the carbon footprint is reduced to nearly zero.

Nevis also hopes to do well from exporting affordable and clean power to its Eastern Caribbean neighbours, starting with its sister island of St. Kitts and then to St. Barths, Sint Maarten, Saba, St. Eustatius, Antigua, and Anguilla.

The geothermal project in Nevis, started in 2004, is well advanced in spite of initial difficulties. However the exploratory work has now been completed and a concession awarded to an American company, Nevis Renewable Energy International (NREI). NREI is now in the final financing phase of the project and the expectation is that production drilling will commence within

the final quarter of 2015 with the stated intent for a 10MW plant by 2018. The 10MW plant will be the first phase, with additional capacity to be added in subsequent phases.

According to Minister Brantley, “there is currently no project in St. Kitts, albeit the Government has stated its intent to explore whether that island has a geothermal resource.” The expectation is for Nevis to supply geothermal power via undersea transmission lines to St. Kitts, two miles away. Interconnectivity studies have already demonstrated the feasibility of that approach.

St. Kitts and Nevis, like the other Leeward Islands, stretching from the British and US Virgin Islands south to Dominica, are “ideally positioned” for geothermal energy development. According to the Chief Technical Officer at the

Garry Steckles is a writer, editor and author who is a regular contributor to many leading publications in the Caribbean and Canada. Steckles, who has held senior editing positions with newspapers in Toronto, Chicago, Montreal, Vancouver and Barbados, has been writing about Caribbean culture for more than four decades.





This is good news for the Caribbean as geothermal has an impressive array of advantages over other known sources of energy.

NREI, this is primarily because they lie near and above two continental plate boundaries where volcanic activity has created high-temperature reservoirs “at sufficiently shallow depths to make their development reasonably practical and economically competitive.”

This is good news for the Caribbean as geothermal has an impressive array of advantages over other known sources of energy. It’s much more efficient than diesel, the costly imported source of generating electrical power for just about all of the Caribbean, and it doesn’t billow greenhouse gases into the air, another important factor amid growing concerns over global warming. Unlike wind or solar power, which depend on prevailing weather conditions – there’s no solar power if the sun isn’t shining, no wind power if there’s no wind – geothermal energy is always available.

### A few things you should know about Nevis

CHARLESTOWN, Nevis – There’s a lot more to Nevis than meets the eye, although what does meet the eye is rather sensational: a 36-square mile Caribbean paradise surrounded by some of the world’s finest beaches.

For starters, it’s a haunt of the rich and famous – Oprah, Beyonce and Jay Z, Keith Richards, Michael Douglas, Janet Jackson, Sylvester Stallone and Meryl Streep, to name a few.

It’s also big on history. British naval hero Horatio Nelson was married here. Alexander Hamilton, America’s first secretary of the treasury and the architect of what we now know as the capitalist system, was born here. So was the Caribbean’s tourism industry – the stately Bath Hotel, built in 1778, was the

first hostelry in the entire region catering specifically to visitors, among them British and European aristocracy.

Nevis was also a major producer of sugar, once the world’s most precious commodity and the profits from which helped finance Britain’s monumental Industrial Revolution.

One thing Nevis doesn’t have? A traffic light. Neither does its sister island of St. Kitts, but the nation does have a seat in the United Nations.

The federation was governed for just under two decades by former Prime Minister Denzil Douglas, who was the longest serving head of state in the Americas when his Labour Party was voted out of power in February, 2015. The new Team Unity government is headed by Prime Minister, Dr. the Honourable Timothy Harris.



company to  
look out for:

Nand Persaud  
& Co. Ltd.



**Company Name**

Nand Persaud & Co. Ltd.

**Website**

www.karibeerice.com

**Chief Executive Officer**

Mr Ragindra Persaud

**Years in existence**

25 years

**Location**

Berbice, Guyana

**Product Summary**

Nand Persaud & Co. Ltd. is the largest rice mill in Guyana, employing approximately 600 people. It is capable of producing over 174,000 metric tons (Mt) of rice per year. Our well established brands are Karibee, Eve, Crown and Nasia and we also offer customised packaging for clients' brands. We have also established a milling complex in Poinciana, Florida and the company has obtained FDA certification for US exports.

Additionally, we have diversified into other areas, including vehicle, machine and equipment sales, and Information and Communications Technology.

**Export markets**

Antigua and Barbuda, Barbados, Dominica, French Guiana, Germany, Grenada, Jamaica, Martinique, St. Vincent and the Grenadines, St. Kitts and Nevis, Suriname, Turks and Caicos Islands, Trinidad and Tobago, UK, Saint Lucia, Haiti, Panama, Costa Rica, and the US.

**Major exporting achievements**

We had a humble start with 1 Mt per hour of capacity and were only catering to the domestic market. However, today we are exporting to 19 different countries across the world. We have FDA certifications and we are working towards ISO certification. We have also won many local awards, including the Presidential Award for exports.

**Market entry strategies**

Every company has its own approach and strategy for entering a new market and it is in the best interest of the company to conceal it.

**Greatest Exporting Lessons Learnt**

We have learned to deal with the trade barriers and bureaucratic red tape in every country which we encountered. Overcoming these barriers has cost the company millions, especially in dealing with the FDA in the US.

**Name of Award Presented To Your Company**

Green Exporter of the Year 2015

**Key Success Factors**

Nand Persaud & Co. Ltd. implemented green technology several years ago when the concept was relatively new and we have been constantly updating it. We began using it to be environmentally responsible, with a view to reducing pollution. The green technology applied has helped us tremendously to lessen our negative impact on the environment, as well as to make use of our waste byproduct.

**Support Needed By Exporters**

All exporters need to be formally trained to understand the various export procedures and requirements, so regular conferences would assist all the relevant stakeholders. We need a responsible body that can engage governments with a view to mitigating bureaucratic red tape, even when the countries involved have bilateral agreements. These barriers deter exporters in new ventures and may result in losses for companies and inhibit their exportation of goods. They may even cause companies to fail, even when their products are not in question. In addition, micro export ventures should be organised to help small producers and farmers.



# Business Angels: The Key to Unlocking Economic Growth

BY NELSON GRAY

In Caribbean economies, SMEs play a critical role in sustainable economic and social development. CARICOM estimates that SMEs account for more than 70% of jobs in the Caribbean region. They are therefore pivotal to this region's economic stability, and it is in this SME category that we observe the majority of high growth potential firms. This is important as innovative, high growth firms are the bedrock of economic growth. They create more jobs (including higher paid jobs), than older established companies; usually have higher levels of productivity; and, critically for the region, tend to be more export orientated. They are more likely to seek out international

joint ventures and strategic alliances.

A report by the UK-based National Endowment for Science, Technology and the Arts (NESTA) highlighted that these high growth companies, perhaps just 6% of all companies started, generated the lion's share of employment growth – over 50% of all new jobs. However, innovative, high growth companies can sometimes experience difficulty in accessing finance from traditional sources such as commercial banks. As a result, many exciting new ventures fail to launch. However, Angel investors (angels) present a possible solution to this challenge

## What is Angel Investing?

Angel investing is the process through which angels invest their own capital in entrepreneurial ventures. These investments are generally in unquoted companies with no family connection to the angel and where the angel may take an active role in the business, hoping to use his or her experience to help the business succeed. Angel capital is a private equity asset class in which individuals invest for high order capital returns on equity investments that support rapid value growth of commercial ventures. Angel investors are typically reasonably wealthy individuals who invest their own money, time and expertise into







## Active and developing groups of Angels can now be found in Jamaica, Barbados, and Belize.

entrepreneurs whose concepts and enthusiasm excite them, and which demonstrate the potential for high investment return. The combination of finance and practical support angels provide is often referred to as “smart money.” A 2010 survey of business angel-supported firms showed that many considered the business angels’ contacts and know-how to be even more important than the provision of finance.

### Addressing a Critical Funding Gap

While venture capital (VC) firms often gain most attention, particularly from governments, globally angels are the ones that actually fund almost all high growth business. In the US, possibly the most developed capital market in the world, formal VCs funded around 4,400 companies in 2014, while angels funded over 73,000. In Europe VCs provide an estimated €2.2 billion of funding compared to the €1 billion provided by angels. No surprise then that the EU described angels as “essential.”

Angel investing, although now commonly associated with the TV series *Shark Tank*, has a long history. In 1874, Alexander Graham Bell used angel funding to found Bell Telephone, and five angels gave Henry Ford US\$40,000 in 1903. More

recently, Google, Skype, Twitter and Amazon were all angel funded. With such high profile success stories, one would think there would be a host of individuals scrambling to be angels. Unfortunately, while we hear about companies that have had mega successes, this form of investing is very, very high risk, with as many as half of funded businesses failing to return anything to their investors. Add to that the time it takes to find and assess such investments, and to help and coach the entrepreneurs after an investment is made. As a result, it can prove hard to persuade busy business people to get involved.

### Organising the Angels

Trying to be an angel on one’s own is difficult, as one would have to grapple with where to find the best deals, the tips and tricks of success and where to learn about new industry sectors and technologies. To address these issues, infoDev has been working with experienced angels from outside the region to help local champions establish angel groups in the Caribbean and to encourage angels to invest together and to share knowledge and the work.

The advice provided has included how to best recruit new angels, organise groups and structure

pitch meetings, screen investment propositions, carry out due diligence, agree on valuations and structure investments.

“Being part of an angel group makes investing easier, and more fun. I can spread my risk by making smaller investments into a larger number of companies and do it with some colleagues I would not otherwise have the chance to work with.”

*Joe Matalon, Founder, First Angel Jamaica.*

For an angel group to be established, the relevant stakeholders first have to find a champion. The champion will have the responsibility of: bringing together similar like-minded, high net worth individuals to convince them that being an angel investor is worth their time and money; leading the way by example, in making investments; and sometimes being the face of the group. It is also critical for the group to source a group manager before they start meetings. This manager ideally should have good administrative skills, the respect of the angel members, and skills in business and entrepreneurship. The manager can be a business development professional, a fellow angel investor, or come from a development agency. The manager is tasked with organising regularly scheduled meetings, and screening the





Angels are often said to be investing “entrepreneurial capital”, as most are themselves successful entrepreneurs who have “been there, done that.”

entrepreneurs seeking to pitch to the angel group for funding. Before an angel group begins seeing pitches, it should first meet to discuss what types of businesses the members are interested in investing in, the group’s common investing philosophy, ethical standards and important administrative issues.

Active and developing groups of angels can now be found in Jamaica, Barbados, and Belize, with a show of interest in starting groups across the Caribbean. Of critical importance for local entrepreneurs is that these angel groups are easy to find and contact; they are open to everyone with a good proposition, not just those who happen to have family or social connections; and their websites give information on their processes, the timing of their meetings and any special requirements they may have, such as the use of a specific form of application or pitch deck.

First Angels Jamaica, based in Kingston, completed

their first investment in May 2015, into DRT Communications, a marketing communications consulting agency that has launched the Caribbean’s first full-service media monitoring service, and are on the verge of completing several more deals. Alpha Angels of Montego Bay and the Barbados-based Trident Angels have also been actively looking at companies and anticipate completing investments soon.

“I benefited from angel funding when I started in business. Becoming an angel investor myself, and helping others, seemed the right thing to do.”  
*Dereck Foster, Founder, Automotive Art & Trident Angels.*

Part of the success in growing the interest in angel investing in the Caribbean has been showing that it’s not just about startup technology companies. Angels are willing to consider investment in businesses of all ages and stages of development (the oldest we have seen come forward in the Caribbean was started in 1940), and in all sectors. Caribbean angel groups

have been looking at all sorts of companies – from software and apps, manufacturing, and services to retail (the latter perhaps motivated by the story of English angel Ian McGlinn who turned £5,000 into £150 million when he invested in Anita Roddick’s startup beauty products business, the Body Shop).

While it is exciting to see the growth in availability of angel funding in the region, entrepreneurs need to carefully consider whether it is the right type of funding for their businesses. The first consideration is whether they are ready to take on what is, in effect, a long-term business partner. Angels typically invest by purchasing equity, an ownership interest in a company; will want to provide practical help and advice, as well as funding; and will look to have a seat on the board of directors. Entrepreneurs taking angel funding must be willing to share some of the control and decision-making within the business. For many entrepreneurs, this involvement and the investor’s business experience and contacts are seen as being even more valuable in helping to grow the company than the cash. Angels are often said to





The entrepreneur has to be able to convince the Angel that the business is capable of growing in value three to ten times. This is a significant challenge, as few businesses are capable of such high growth.

be investing “entrepreneurial capital”, as most are themselves successful entrepreneurs who have “been there, done that”.

“My investors are really supportive, but they don’t just sit there patting me on the head like a puppy. They are pushing and demanding, but in a good way, like a sports coach pushing me to achieve more and more.”

*Danielle Terrelonge, Founder & CEO, DRT Communications Ltd*

Angels have personally launched, run, grown, and created success through entrepreneurship. They are looking to pass on all that they have learned so that those entrepreneurs they back will succeed faster, and possibly in a bigger way. One CEO commented on the business advice they received from their angel investor: “As a young entrepreneur with limited experience of high growth companies, it was really helpful to have an investor who could tell us if things were messed up in a normal way or messed up in an abnormal

way. It saved us a lot of time and worry and let us focus on finding solutions.”

A second consideration is trust. This needs to be built on both sides. Will the investor really be helpful and supportive? Will the entrepreneur really use the investment wisely, and grow the business? Angel investments are long-term relationships, often lasting five years or more. All involved need to take the time to ensure they have mutual trust and respect.

“Have the right chemistry with your investor and understand their motivations. Ensure that they can give you good advice as well as cash.”

*Khalil Bryan, CEO, Caribbean Transit Solutions.*

Thirdly, does the business have the potential to really grow and provide the level of return that angels are looking for to offset the risks they take? As founder and CEO of DRT Communications Ltd. Danielle Terrelonge says, “This is not funding for those who

just want to ‘do a thing’; you must be committed to creating something big, something of real value.”

Angel investment is not a cheap substitute for bank lending. Angels take high risks, in illiquid investments and seek a high return in compensation for their cash and their time. The entrepreneur has to be able to convince the angel that the business is capable of growing in value three to ten times. This is a significant challenge, as few businesses are capable of such high growth.

### **Investor Engagement – Practical Help for Entrepreneurs**

Talented and motivated entrepreneurs need to be provided with the necessary skills and knowledge about how to secure the funding they need to realise their ambitions.

With angel investing being such a new concept in the Caribbean, entrepreneurs need training and advice on the best ways to pitch their ideas, and an insight into what happens after the pitch. Few have





Globally, governments are increasingly recognising the value of supporting the establishment of new angel groups, realising that angels who are members of groups tend to invest more capital and more often than those acting individually.

an understanding of how to best grab the interest of an investor, what might be the most appropriate investment structures, how to set a realistic valuation of their company, or how to prepare for an investor's due diligence. To be credible in front of potential investors, entrepreneurs must put in the time and effort to learn the investment process.

"The biggest mistake entrepreneurs make when approaching us for funding is thinking that to get investment they just need a good idea. They must be able to show they have thought through the business model, have a solid plan for growth, and be able to show they have a great investment opportunity, not just a good business idea."

*Sandra Glasgow, Angel Investor & Manager of First Angels Jamaica.*

InfoDev has been assisting regionally based organisations, such as Caribbean Export, the Branson Centre for Entrepreneurship and

BizTactics, to deliver courses designed to fill that knowledge gap. Improving entrepreneurs' knowledge not only helps more companies get funding quicker, but also encourages more individuals to become investors once they see the quality of opportunities available locally.

### A Place for Government

Globally, governments are increasingly recognising the value of supporting the establishment of new angel groups, realising that angels who are members of groups tend to invest more capital and more often than those acting individually. Governments see the benefits that result from the profits of traditional businesses being recycled into new sectors and retained within the local economy, the resulting jobs – not just the number of jobs, but the retention of talented and educated young people in the region – and the increase in tax revenues. At a basic level, governments support angel investing by ensuring that entrepreneurs can easily establish

a company and that there are appropriate legal structures available to enable private investment into companies. Bankruptcy laws need to be structured so as not to deter risk taking by entrepreneurs and investors. Entrepreneurship needs to be taught, encouraged and celebrated, from primary school through to every subject at university.

Many governments go much further. For example, New Zealand provides funding for angel education while Scotland helps to fund the running costs of new angel groups. Around half of the individual states in the US, as well as countries as diverse as Turkey, Finland, Malaysia, and Israel use tax incentives to encourage investors to consider high growth, high risk, high job creating companies as an alternative to relatively safe investments such as real estate or offshore stock markets. The UK, Portugal, Germany, Poland, and Russia operate Co-Investment Funds (CoFunds) that match the investments made by angels with public funding,





I see entrepreneurs coming to our angel group with ideas that could take the Caribbean to a whole different level of wealth and success.

usually on equal investment terms. These CoFunds have been described as providing “stretch funding”, enabling more rapid access to the larger amounts of funding required by high growth companies. They help to increase the number of companies receiving funding, as well as address the perennial problem of angels under-investing – where investee businesses survive by a drip feed of investment in a hand to mouth fashion – by getting behind the angels and enabling sufficient follow-on investment. This additional funding also enables more companies to grow to a level at which they will become of interest to traditional VC firms, encouraging new capital into the country. Providing additional cash to carry a company further increases the probability of achieving a successful return on investment, thereby proving that local investing can be profitable and persuading more individuals to become investors. CoFunds need not cost governments more than they already spend. Many governments provide grant funding directly to

companies. By channelling this funding through a CoFund, the government is able to support the company, encourage the development of a local angel community, and potentially get a profit on its investment. Creating a sustainable investment community will eventually allow government to withdraw from the market and channel its funds to other priorities.

“I see entrepreneurs coming to our angel group with ideas that could take the Caribbean to a whole different level of wealth and success.”

*Dereck Foster, Founder, Automotive Art & Trident Angels.*

Establishing a local investment community is not a quick fix. It takes time to bring all of the necessary players together, to build the supporting infrastructure and mutual trust, and develop knowledge and experience. Governments that make the necessary long-

term commitments see significant returns, however, as exemplified by the likes of New Zealand. With that country being geographically remote, and having an economy significantly based on agriculture, the government recognised the need to diversify the economy and increase the number of new, high growth potential companies. It initiated a programme of support for angels in 2005, promoting the idea of being an angel, providing education on the technicalities of this type of investment and encouraging new angels to join groups. In 2006, they recorded four investments with a value of US\$592,000. By 2013, this had grown to 116 investments valued at US\$35 million.

The Caribbean has entrepreneurs with the ambition and talent to grow significant new businesses and, increasingly, the individuals prepared to fund those new ventures that will bring similar levels of success to the region.

Nelson Gray was European Business Angel of the year in 2008 and is an advisor on Angel investing to the World Bank



# Everyone Needs an Angel

BY NELSON GREY AND DANIELLE TERRELONGE

When you go to a commercial bank, they're mostly looking at the bottom line, and whether you can ensure repayment in the fastest possible time at the lowest risk to them. An Angel investor is looking for a return, but they're also interested in your long-term success. They become part of your business.

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When marketing communications consultant Danielle Terrelonge, Managing Director of DRT Communications Ltd, decided to go after her “big idea” she knew she needed a lot of capital to expand her business across the Caribbean region. She boldly set out, perhaps in hindsight, “overly confident” and definitely unaware of what truly lay ahead.

Going from bank to bank with what she thought was a sound business plan, she became a little more disheartened after each meeting as she realised she would have to provide far more collateral than she could imagine. She was even asked, “Don’t you have an uncle with a farm or land?” At that point she coined the phrase, “Anyone can have a great idea, but are you ready to ride the ride?” – a phrase she repeats to other entrepreneurs to encourage them to hang on through the rough times.

Having previously built and run a public relations agency for five years, Terrelonge remained committed to her vision to open the Caribbean’s very first technology-driven media monitoring agency. Then she heard about First Angels Jamaica (FAJ), a network of angel investors based in Kingston that was focused on financing early-stage companies in Jamaica and the wider Caribbean. Founded by Joseph Matalon and Sandra Glasgow, FAJ has some 20 successful members.

Four months into the process, which involved completing an application form on the FAJ web site, submitting a detailed business plan and

financial forecast, pitching the idea to the group and undergoing a due diligence review, Terrelonge has five angels that have invested in her business, and a lot more knowledge about the angel investment process which she now describes as “a more patient form of capital” because the angels looked at the enterprise from a different perspective than the banks.

“When you go to a commercial bank, they’re mostly looking at the bottom line, and whether you can ensure repayment in the fastest possible time at the lowest risk to them. An angel investor is looking for a return, but they’re also interested in your long-term success. They become part of your business,” Terrelonge says.

But, she adds, “Getting angel investment is an arduous process. You have to be able to answer some tough questions, not just about your business but about who you are and what your values are. These questions are coming from business people, most of whom run multimillion-dollar enterprises and who have many more years of experience than you.”

### Increased Confidence

Terrelonge believes that even if she had been unsuccessful in securing the funding, she would have come out the process a winner.

“What I learned was invaluable. Going through this process reinforces the need to constantly think in a strategic way about my business, my processes and people. I sought funding, but I also looked beyond the money to the experience of the investors and

their desire and ability to help me access markets across the Caribbean region. I was a marketer, this process made me a businesswoman,” she says.

For other entrepreneurs considering angel investment, Terrelonge emphasises the need for preparation: “Have a clear vision about what your business is about, what you really want to achieve, and really spend the time to know your business, know your figures, your competitors, your exit strategy, where you are going and how quickly you will get there.”

“You are opening up your business to real businessmen and women who will challenge you, all in an effort to push you beyond your self-set limits and prove to them that you are in fact the best possible investment they can make. I can’t stress being open enough. Open your mind, share your business and your ideas and take the risk. If you’re not open to risk then perhaps you’re just not ready for this type of investment. If you don’t put it out there and be confident about it, well then, who will?”

[www.drtcommunications.com](http://www.drtcommunications.com)

*DRT Communications Ltd. is a marketing communications agency located in Jamaica whilst serving the Caribbean. Within its client portfolio in both Public Relations and Media Monitoring the company has served Virgin Atlantic, Red Bull (Jamaica), J.Wray & Nephew, Caribbean Broilers and Diageo (Jamaica) and has worked on development projects with the World Bank and UNICEF.*



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# Maximising the Benefits of Copyright Laws and Digital Distribution in the Entertainment Industry

BY MARISSA F. LONGSWORTH

The creative industries in the Caribbean continue to grow in global recognition and even more so in earnings. The entertainment industry is burgeoning with several artistes, bands, actors, and other creative professionals travelling the world and spreading their talent to the delight of thousands of fans. Let us drill further down into the economics of creativity to understand why a creative professional is paid, what value a creative professional gives to his or her work versus what the market is willing to pay, how to maximise earnings in this field, and what to do in order to sustain those earnings.

In entertainment, much of the tradable goods and services are fundamentally based on IP which, as the term suggests, has to do with ownership of the creative and innovative products of the mind. IP Rights (IPRs) are those rights which give the owner of these products the opportunity to benefit and potentially earn from the trading of these assets. There are varying categories of

IP, which apply to all industries and professions. Copyright, which shall be the focus of this article, grants exclusive rights to the author of an original work of music, art, literature, and drama to allow that author the chance to not only be properly recognised and respected as the author, but also to be compensated for use of the work. In addition to copyright and related rights, entertainers should also be knowledgeable about protecting brands, merchandise and image use through IP tools such as trademarking and design registration. While in most forms of IP this involves registration before the work is considered IP, copyright is unique due to its formality-free protection. Although protection measures are recommended regardless, the safety net of the law is well-appreciated by creative professionals in a dispute. Successfully commercialising IP is largely based on a combination of strategic actions and business transactions. It is recommended that a creative professional take proactive steps to ensure that

whatever is created will be shared with the world on his or her terms.

## Step 1: Protection

The existence of the automatic, formality-free grant of copyright is binding on all signatory member states to the Berne Convention, an international treaty that provides guidelines on the treatment of copyright. This is beneficial to all creative professionals since there is no need to register your work in order to have the recognition of the relevant copyright law as author/owner of a work. Now, this situation can save you just as much as it can be a danger to you, since the undocumented grant of copyright means that once the author exposes it to anyone else, there is the potential for false claim and unauthorised use of that creative work; and this is where record keeping and registration for the purpose of protection become important. Ultimately, copyright protection is most effective when it is done as close as possible to the actual time of





The 'Poor Man's Copyright Method' involves mailing a physical copy of the work by registered post. The date stamped on the envelope is the registration date, but an author is best advised to place or embed a copyright legend on the actual work which includes name and date of creation.

creation and before public exposure, in order to establish originality. There are generally accepted methods of registration in the region and worldwide, as listed below:

1. The 'Poor Man's Copyright Method' involves mailing a physical copy of the work by registered post. The date stamped on the envelope is the registration date, but an author is best advised to place or embed a copyright legend on the actual work which includes name and date of creation, e.g. © John Doe, August 2015. The envelope should remain unopened and used as evidence in the event of a legal dispute;
2. Government-run voluntary copyright registration systems allow for rights holders to deposit a physical or digital copy of their work for recordation purposes and receive a certificate, which can prove very useful in negotiations and transactions, as an ownership claim over a specific work;
3. Privately-owned voluntary copyright registration systems are also available in various jurisdictions and operate much in the same way as the government systems; and
4. In many jurisdictions, there are mandatory requirements to deposit works with that country's national library for the preservation and archiving of a collection of cultural heritage and historical matter. This can also be used as a part of the evidentiary proof that a rights owner took steps to identify himself/herself with the work.

## Step 2: Income Generation

A creative professional who is conducting business transactions regarding a copyright work will be faced with two choices: either to license the work on specific terms and conditions, or to fully assign the work, which severs any interest in the economic rights of the work. Similar to the use and negotiation of real property e.g. land, a creative professional can approach or be approached by interested parties such as producers, publishers, investors, broadcasters, and regular end users to allow for specific uses or even to fully assign all rights in the work to them. Some creative professionals may prefer to simply keep their works private and/or to commercialise it themselves. In the same way that a landowner will question whether selling the land will benefit him more than investing in it and leasing it, a creative professional will have to consider very carefully any proposals put forward for the work. An IP/copyright attorney is the best source of advice since each transaction is unique and often consists of complex, multi-page contracts with many loopholes.

This is a good opportunity to explain the aspect of related rights (also known as neighbouring rights) granted to performers, sound recording producers, broadcasters and cable service providers. When a copyright owner licenses or assigns a work to one of these entities, the rights to the derivative work are owned by the entity. In principle, unless there are any contracts to the contrary, each rights holder remains owner in full of the rights in their work, having simply

given permission for use under specific terms. For example, a sound producer will license lyrics from a songwriter and a melody from a composer, and after editing and mastering a combination of elements will be the owner of the rights in the master recording released. Recently reported in Jamaica, artiste Duane Stephenson claimed that his former label is promoting and selling a short album, entitled Nature Boy, that not intended or agreed for public release. According to an article in the Jamaica Gleaner newspaper, dated May 8, 2015, the label producer, Kemar 'Flava' McGregor, has rebutted that he has the full rights to the masters as the producer and therefore committed no wrong by remastering and releasing these works.

Every rights holder has the economic rights to C.A.R.D. – that is, to communicate to the public, adapt, reproduce, and distribute his or her work – as well as the moral rights to be identified as the author,







A creative professional often sees the high value in free exposure and publicity versus the copyright implications in having masses of people share and copy their creative works.

and to object to derogatory treatment of the work. These valuable rights are the subject of negotiations, and the quality of the work along with the desires of the parties involved are what guide the earnings, terms and conditions of the agreement.

### Digital Distribution

Not to complicate matters further, but a negotiation, as it is implied here, may not be with a person, since posting videos and other copyright works on platforms such as YouTube, iTunes and Facebook are also done under licence. Simply by being a user of these platforms, you have agreed to the terms and conditions which have strong provisions on IP ownership and use. A creative professional often sees the high value in free exposure and publicity versus the copyright implications in having masses of people share and copy their creative works. There are simple tools and tricks which minimise the devaluation of the work on the Internet; for example, technological protection measures (TPMs) which encrypt and block unauthorised use or access. Also, watermarking of an image or uploading of only a portion instead of an entire work can encourage users to pay for access to the full version.

There are several benefits of the use of the various

platforms available to distribute content over the Internet. Communication technology has widened the pool of willing buyers to anyone who can send that product, sometimes within seconds of being paid for. Digital goods such as movies, photographs, music and even website design have become in-demand commodities which could be provided by anyone and instantly transferred to cellular phones and smart televisions alike. Keeping in mind that, by law, a creative professional has the exclusive rights to decipher when and where his or her copyright work is used, the Internet is not exactly the most reliable space for protection of IP overall. For those creative professionals who have no issue with giving more liberal access to their works, there are platforms such as the Free Music Archive ([freemusicarchive.org](http://freemusicarchive.org)) and SoundCloud ([soundcloud.com](http://soundcloud.com)) where you agree to a Creative Commons licence, which can allow for varying levels of public access to the work based on the creative professional's choice.

However, for those who are using the Internet as a direct income earner from copyright transactions, unregulated distribution and access to the public of the work is equivalent to giving quality goods away for free. Enforcement of action against infringements over the Internet is particularly

difficult, which makes it very important to take the right measures from the outset. Depending on a creative professional's target audience and budget, they are able to choose from the many platforms available for distribution of their works, such as the iTunes Store and Amazon Music for music files, and YouTube or Vimeo for video files. Photographers have platforms available to them as well, through Shutterstock. Budget is important since it is obvious that the platforms will charge users for services which can boost visibility. Therefore, a creative professional should also consider the ability to earn income using these channels, but in any case these are major sites with high consumer traffic which increase the earning potential of a creative professional's products. Even those which are free can bring immense value through the publicity. Justin Bieber, Kate Upton, Psy and Adele are all notable names in the creative industries who were originally discovered on the Internet.

It is obvious that a creative professional cannot monitor global use of his or her works alone, considering the many persons, known and unknown, who can access and use a work with and without his or her knowledge. Collective Management Organizations (CMOs), otherwise



Copyright can be one of the most lucrative intangible assets negotiated in the entertainment industry. Not only does copyright law apply at the time of creation, even before a work has been publicly exposed.

known as licensing societies/bodies, are member organisations responsible for tracking and collecting a royalty for each use of a copyright work. The CMOs license users of copyright, and after deducting administrative costs for their services, distribute the royalties to members. CMOs sign reciprocal agreements with other CMOs in order to exchange funds which have been collected for the others' members, so the money reaches the member no matter where it was collected. These agreements allow a creative professional's CMO to monitor multiple communication and broadcast channels worldwide. A creative professional should make sure he/she is aware of the extent to which a CMO manages the rights both in the real and the digital worlds. With a minimum 50-year term of protection of copyright in Berne Convention signatory member states, and with many states increasing the term, a creative professional and his or her family can benefit from the sustainable monitoring and collection through a CMO which will actively have to keep up with technology to maximise income for its members.

### Step 3: Enforcement

If works are used without permission and also without any assertion from the owner, the value of the work will decrease for legitimate interests. Copyright laws throughout the region and the world contain both criminal and civil provisions to assist rights holders with preserving the value of their works. Criminal offences tend to be associated with commercial-scale infringements, as well as the sale/possession of devices which break copyright encryptions. However, copyright is a property right and mostly dealt with by private attorneys. An infringement of copyright can be a harrowing experience, especially for a fledgling creative professional being infringed by a bigger counterpart, particularly overseas. Cease and desist letters and mediation are very effective measures, particularly if the infringement was unintentional. One very bold assertion of ownership was described in an article in the Daily Mail newspaper of November 10, 2011 entitled 'This is plagiarism', in which American singer Beyoncé was accused of copying choreography in her new Countdown video. It stated that a Belgian choreographer,

Anne Teresa De Keersmaeker, had her past works well-documented with a specific award-winning sequence having been released as far back as 1994. Keersmaeker's upper hand is that there is video footage of her sequences, which has been posted on YouTube side-by-side with the Countdown video and gives good visual representation, which may be used to establish the infringement.

Copyright can be one of the most lucrative intangible assets negotiated in the entertainment industry. Not only does copyright law apply at the time of creation, even before a work has been publicly exposed, but it provides tools which guide transactions geared at income generation, and ultimately provide enforceable measures to give remedy to wronged rights holders. While a creative professional may not see the immediate value in investing time and funds into copyright protection, since the career is based more on payment for performances and appearances, the lifespan of copyright is longer than that of the creative professional and is therefore necessary security for multiple generations thereafter.



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# The Use of Geographical Indications as a Marketing Tool for Agricultural Products

BY WENDY HOLLINGSWORTH





Protecting IP and managing intellectual property rights (IPRs) is critical to branding and establishing market presence and, if managed correctly, can be used by regional actors within the agricultural sector to create value and a global competitive advantage for their products through its exploitation.

Regional agricultural producers are cognisant that to achieve a global competitive advantage for their products, they must seek to create brands which capitalise on the unique characteristics of regional agricultural food products, which have a compelling local story to tell, or which have prestige, quality attributes, recognition and/or reputation linked to a specific place of origin. Such products, referred to as Origin-Linked Products (OLPs), often command a premium price that is attached to the attributes derived not only from their place of origin, but also due to local traditional know-how.

This approach signals a significant paradigm shift in the business models implemented by the agri-food sector in the past, and requires a strategy that demands a new focus on using the tools of IP to build product recognition, reputation and enhanced consumer perception of the unique quality of regional food products. As part of this evolving business model, regional producers are starting to integrate innovative strategies, which give them a competitive advantage and provide a mechanism to obtain a price premium for their products.

### The commodity approach

Within the regional context, the agri-food sector is characterised by the production of commodities that have a global reputation for high quality. Examples include coffee from the Jamaica Blue Mountains and fine or flavoured cocoa produced from countries such as Dominica, the Dominican Republic, Grenada, Jamaica, Saint Lucia, and Trinidad and

Tobago – all of which have been classified by the International Cocoa Agreement, 2010 as countries that produce partially or exclusively fine or flavoured cocoa. Further, other agricultural products have gained an international reputation because of some unique flavour or reputation for production, based on traditional practices. An excellent example would be regional rums which have been produced for over 300 years based on traditions, especially related to processing and blending.

In order to reap greater economic gains within the agricultural sector, regional value-chain actors cannot continue with the “business as usual” approach to production and marketing of their products. Product differentiation, greater involvement along the value-chain, as well as a reasoned and effective approach to developing IP and branding systems must become integral to agricultural production system.

### Using the IP system to effectively market agricultural products

In broad terms, IP is the application of human intellect to create something original. It can exist in many forms; for example, a logo, design, invention or literary or artistic works. Regional agricultural actors have a suite of IP tools through which they can market and promote their products. These include trademarks, which can be used by an enterprise to distinguish its goods and services offered from that of another competing business in the same product category; service marks, which are similar to a trademark but are used

in commerce to distinguish and differentiate a business’ services from that of others in the market; collective marks, which are owned by a group such as a commodity association and are used by members of the group; certification marks, which are usually given for compliance with defined standards, but are not confined to any membership; and GIs, which are signs used on goods, which link the unique characteristics of the good to its geographical origin.

Protecting IP and managing intellectual property rights (IPRs) is critical to branding and establishing market presence and, if managed correctly, can be used by regional actors within the agricultural sector to create value and a global competitive advantage for their products through its exploitation. IP and branding should be viewed as fundamental strategies, which can be used to enhance the success and competitiveness of OLPs in the market and should be considered as essential tools to augment the income of those involved in the production, processing and marketing of such products. One example where this strategy of creating high-value brands through the use of IP tools and product differentiation has been successfully implemented in the region is with regard to marketing sugar produced in Barbados. The strategy mixes volume retail, manufacturing with food services and retail through premium stores to build brand equity and obtain higher than average market prices for the brands *Plantation Reserve* and *Plantation Traditional*. Each branded product is marketed and promoted to a different market segment and at a different price point.





GIs are used to identify a good as originating in a delineated territory or region where a noted quality, reputation or other characteristic of the good is essentially attributable to its geographic origin and/or the human or natural environmental factors there.

### Geographical Indications as a tool

The challenge for regional agri-food producers is that they are more accustomed to using trademarks/service marks, certification marks and, to a lesser extent, collective marks as product promotional tools and to build brand presence in their chosen markets. However, not much attention has been placed on using GIs to effect the same. Indeed, the regional interest in GIs has come about in recent times as a result of specific obligations under the CARIFORUM-EU EPA.

GIs are used to identify a good as originating in a delineated territory or region where a noted quality, reputation or other characteristic

of the good is essentially attributable to its geographic origin and/or the human or natural environmental factors there. Such indications provide a form of IPRs protection which is based on the fundamental premise that GIs are a unique and distinct category of signs which should be accorded special treatment, due to the indelible link between regional products and specific characteristics of their geographical origin and/or the unique processes which impart a distinctive and unique quality to the product. As an example, the GI 'Pico Duarte Coffee' is used for coffee produced in the Jarabacoa coffee producing region in the northern slopes of the Cordillera Central mountain chain in the Dominican Republic. The Cluster de Café de Jarabacoa sought to obtain the GI to improve the quality and reputation of

the coffee grown by producers in the region, by establishing quality standards based on market requirements, and to gain an extra premium price for their product on the market. The strategy was based on exploiting the unique flavour of the coffee beans produced in the delineated region, the environmental conditions in the mountain ranges where the coffee is produced as well as local production practices.

To create value from OLPs, marketing and promotional strategies are fundamentally grounded on the terroir as well as collective action. The collective action is based on the GI being owned collectively by producers within the delineated area who meet the product specification as defined within the application





To date, there are very few GIs registered in the CARIFORUM region, with only the Dominican Republic being successful thus far in registering national GIs for commodities including coffee and cocoa.

for registration of the GI. In the case of regional producers, existing commodity organisations and associations such as the Nutmeg Association in Grenada or the Toledo Cacao Growers Association in Belize, serve as a collective body of producers along their commodity value chain which can apply for a GI at the national level and establish a management system for the GI, inclusive of enforcing the GI nationally, regionally and internationally.

To date, there are very few GIs registered in the CARIFORUM region, with only the Dominican Republic being successful thus far in registering national GIs for commodities including coffee and cocoa. The Jamaica Jerk Association has filed a GI application for Jamaica Jerk which has

successfully passed the opposition period and it is anticipated that it will shortly be declared a GI. Other countries within the region are at varying stages of determining the best suite of IP tools to utilise to brand their agricultural products and are preparing to file national GI applications for a number of commodities, including nutmeg, cocoa and rum.

While there is limited empirical evidence of the economic impact of GIs within the region, it is generally accepted that a well implemented GI system can have socio-economic and cultural benefits for producers and other stakeholders within the geographical production area. In addition to price premium, these benefits include the maintenance of cultural heritage and

traditional knowledge, increased entrepreneurial activity in related areas such as agro-tourism, as well as increased social and environmental development of select communities. An example can be drawn from the Toledo Cacao Growers Association which has a membership of small farmers of Mayan descent, with each farmer operating on less than 10 acres of land. The farmers, through the association, have both organic and Fair Trade certification, which allows them to obtain a premium price for their cacao through a strategic partnership with international retailers. This premium allows for the association to make payments to their members above average market price and to engage in development projects targeting their members and their communities.



## Using a Strategic approach for advantage

To take advantage of the IP system including the use of GIs, regional agricultural producers must first understand that there is no one approach that fits all as it relates to promoting agricultural products. Rather, a mix of IP tools can be deployed to seek maximum advantage on the market. Having GI legislation in place at the national level increases the choice of IP tools that are available to be used for the protection of OLPs. Not all regional countries have national GI legislation and producers will therefore have to rely on other systems such as a trademark, collective or certification mark, which can be paired with a GI to enhance product visibility and to influence consumer choice. Both legal instruments may be complementary and can be used simultaneously.

### Countries within the Region with National GI Legislation

Barbados  
Dominican Republic  
Jamaica  
Saint Lucia  
Trinidad and Tobago

Having a GI designation for a product does not limit the ability of individual producers within the geographical space from differentiating their brands by using their own trademarks, or from using other labels such as Certified Organic or Fair Trade as strategic tools to obtain a higher price than their competitors on the market. Ethiopian Coffee producers employ a number of IP-related strategies to promote their brands on the market. For example, producers of the Ethiopian Yirgacheffe brand of coffee utilise the GI 'Ethiopian Fine Coffee', as well as both Fair Trade and USDA Organic Certification in their business model to build brand equity, expand market share and ultimately obtain a price premium for their product.

It must be stressed that, for an OLP to compete successfully in the market and derive maximum benefit for agricultural producers, attention must be placed on several areas, including: production and product quality; the attributes of the product(s); the uniqueness of the region of origin; the choice of IP protection and management system used; and the enforcement of the IPRs associated with the OLP. These factors combined, help to build brand value in the market and improve competitiveness and, ultimately, enhance the income of producers along the value chain.



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# Building a Caribbean Legacy: The Story of Williams Industries Inc.

BY JOVAN REID

As Chairman and Founder of Barbados-based Williams Industries Inc. (WII), Ralph 'Bizzy' Williams controls 13 wholly-owned companies and four joint venture enterprises spread between manufacturing, water desalination, alternative energy, electrical engineering, garbage recycling, tourism and real estate. And to describe him as a maverick would be an understatement.

In 2000, he earned the Ernst & Young (E&Y) Caribbean Entrepreneur of the Year award, and bested that achievement a year later when he beat entrepreneurs across the globe to cop E&Y's prize in the World Entrepreneur of the Year competition in Monaco for his achievements in multiple enterprise creation.

All told, Williams' businesses employ over 600 people: more than 300 of them are also part owners of Williams Industries Inc. through an equity model that vests shares to longstanding employees at all levels of the WII organisational chart. For the privately-held industry behemoth – whose stock was estimated to be worth around BD\$320 million at its most recent professional valuation – the reward package has wedded employees to Williams' vision in a tangible way.

Success has not always been easy. Business creation within the WII group mushroomed since Williams' first company, Terrapin Racing & Developments Ltd. – a race car manufacturing business he founded in 1972 – folded after fuel price hikes dampened the regional export market for race cars.

After Terrapin's dissolution, Williams took his newly-trained welders and went on to create Structural Systems Ltd. with a Canadian partner, with a vision to manufacture pre-engineered metal buildings and metal components. Today, Structural Systems sees 40 per cent of its output headed for

export. But meeting the demands of maintaining a competitive export business in the Caribbean has not been without its challenges.

## Background of Structural Systems Ltd.

Political red tape in the anti-competitive Barbados market of the 1970s stifled the fledgling Structural Systems business in its early months, causing Williams' partner to withdraw his investment, which forced Williams to contemplate a second dissolution.

"It took the government so long to approve the package that my business partner went back to Canada with his money and invested in a maple syrup farm. I never saw him again," he recalls.

His company had just promised its first suite of buildings in Montserrat, but the absence of fiscal incentives would have made them next to impossible to deliver. It was serendipity and an intervention by a former Prime Minister that led to the now standard incentive package being approved, which paved the way for Structural Systems to become the export player it is today.

With subsidiaries in Saint Lucia and Jamaica, the company designs, builds and exports pre-engineered metal buildings from its factory in Barbados. Its engineers and draftsmen draw and design some of the Caribbean's most sought after buildings on CAD software, and the designs are then downloaded to fully automated machines for a rapid delivery of finished builds. By as early as 1984, it copped a prize for the best commercial building of the year for a structure in St. Kitts, which it erected in just six weeks.

"Wherever you go in the Caribbean, I guarantee you will see a Structural Systems building," Williams tells the OUTLOOK.







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His major competitors now come out of Trinidad and Tobago and Suriname, with foreign imports from the US and UK also seeking a portion of the Caribbean market. That said, throughout its 40 years of existence, none of Structural System's buildings has failed in a natural disaster – the holy grail of achievements in building design.

"We hold our own," says Williams.

His biggest problem, he adds, comes with customers ignoring building standards and demanding quotes for builds that do not comply with Caribbean wind codes. Structural Systems' builds withstand 130 mph winds by design, while competitors' builds buckle at wind speeds over 80mph. "We cannot compete on price with inferior quality products... but we deliver a superior quality product, with the best value for money," the business magnate insists.

But all this notwithstanding, the industry has been sluggish. Pre-engineered buildings are far from a consumer product, and the market has been depressed for almost six years. Structural Systems operates at just 50 per cent of its production capacity, and it is thrusting its efforts behind the export market to shore up business and to keep its workers employed.

## Challenges to Exporters

Williams is forceful when he speaks about the challenges to businesses looking to export in the Caribbean. The former investor in the defunct regional airline REDjet bemoans the prohibitive cost of intra-regional travel and the red tape that still surrounds the movement of Caribbean nationals between states.

"The cost of travel is too high," Williams says, citing onerous ticket fares for work crews deployed to regional countries. Citing the ease of work and travel within the European Schengen Zone for EU nationals, and the uniformity of European customs procedures as ideals for the Caribbean, Williams asks rhetorically: "Can you imagine what it would do to manufacturers if every time they passed from one state to the other, they needed to clear customs and get work permits?"

For exporters trying to find their niche, Williams

proffers an example from his own experience. "My niche is getting something done that hasn't been done before somewhere in the Caribbean, and making a few dollars doing it," he said. But he cautioned that grit, determination and persistence were also a part of the deal. "The key is to get out there, wear the shoe leather down, knock on doors and see people. You can't get contracts sitting in an office," Williams adds.

## Advice to Exporters

Looking back reflectively, the reputation that Williams has built for Structural Systems has put it in a strong competitive position, which he admits has aided in the ability to win contracts. And having expanded to other territories in the Caribbean, he says that his most important challenge was to find honest partners in the countries that he earmarks for expansion. He readily admits that he has made bad decisions on partners in the past, but advises that it is best, as entrepreneurs, to see such experiences as teachable moments.

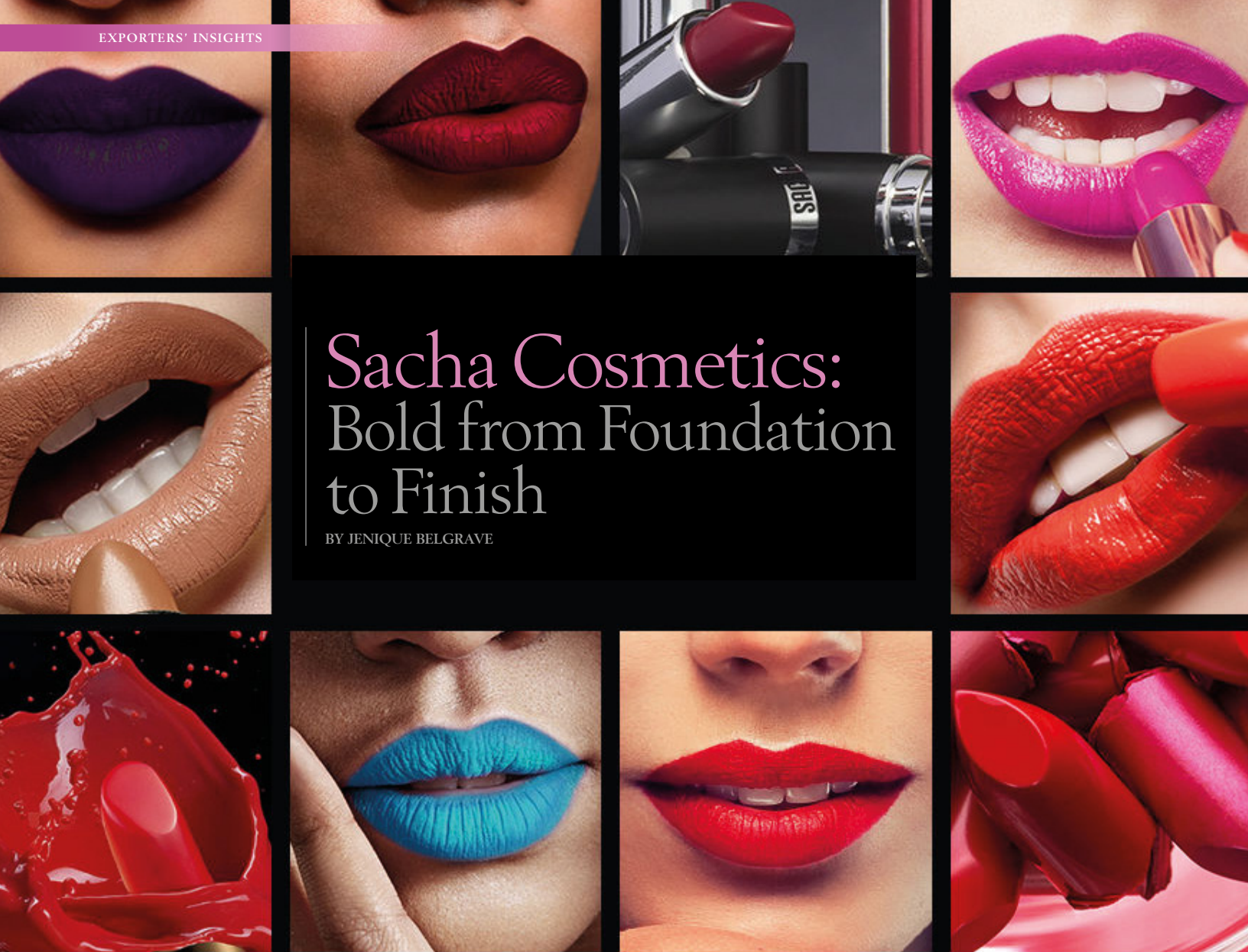
Williams counts his team of dedicated employees – many of them his fellow shareholders – as his competitive advantage. Between them, they are embarking on a substantial project in Trinidad for a suite of new builds. The Caribbean is his market, and Williams is optimistic about his company's future.

"We went through a pretty bad couple of years where Williams Industries invested in things like REDjet, and we lost a lot of money, but we're gradually getting back into our stride," he said. Structural Systems' indicators have improved significantly in the past two years, with consecutive year-on-year growth and expansion of exports since 2013.

Despite being a leading Caribbean exporter, he is easy with his advice to new entrepreneurs and industry peers. He holds his obsession with competitiveness on quality, rather than merely on price points, as one of his key secrets to success. And while he admits that individual governments have done well to encourage fiscal incentives for exporters, he now thinks the time is right for exporters to call on regional governments to come together to reduce the last remaining impediments to the movement of labour and people within the Caribbean.

Jovan Reid is a specialist in public policy analysis and media advocacy.





# Sacha Cosmetics: Bold from Foundation to Finish

BY JENIQUE BELGRAVE

A pioneer in make-up for exotic skin, Caribbean Exporter of the Year, Sacha Cosmetics, remains ahead of the game through its premium line, vibrant passion for quality and a boldness to go where no beauty product has gone before.

"We design make-up that perfectly matches the skin tone of all women of colour, whether light or dark or in between; we ensure that their natural beauty shines through," explained Kama

Maharaj, the Managing Director and Founder of the Freeport, Trinidad-based company.

It was the recognition of the differences in product demand that led to Sacha bursting onto the cosmetics scene 36 years ago and rapidly becoming

one of the top make-up choices for ladies with exotic skin. Sacha, a globally recognised brand, is distributed in 27 countries, among them Australia, New Zealand, Puerto Rico, and South Africa, and is now also available through online retail giant Amazon. The exceptional makeup line has made its way onto runways and into beauty

We design make-up that perfectly matches the skin tone of all women of colour, whether light or dark or in between; we ensure that their natural beauty shines through.

contests all over the world, beating competitors to become the official cosmetics supplier to the 1999 Miss Universe Pageant, the 2000 Miss USA Pageant, the 2011 Miss Bahamas Pageant and the 2014 Miss Panama Pageant. Currently seeking to expand into the Dominican Republic and Latin

America, Sacha continues to reign supreme in transforming the cosmetics world.

Fulfilling his dream of highlighting the natural allure of African, Indian, and women of mixed ethnicities, the story of the brains behind the beauty is a mixture of luck, skill and sheer resolve to succeed. Coming from "a beauty family", Maharaj recounted the days he sat in his mother's hairdressing salon in Trinidad, listening to clients' constant complaints about how artificial

their faces looked with make-up. It was there his obsession to create a product specifically calibrated for their skin type and tones was born. Despite making a comfortable living as a high school Maths teacher with a degree in Economics, Maharaj took to heart his mother's advice and





purchased a floundering small cosmetics business. With a mere US\$1,000 in savings and seven times more required for the purchase, he headed to the bank to present the idea and returned a day later to collect the capital.

Ordering inputs from New York, Maharaj began his pioneering experiment to find the right blend for women living in the tropics. "There was a lot of trial and error in the beginning, because there was nothing out there for women of exotic skin. The brands coming out of the USA and Europe were all for women with light tones and dry skin. In the Caribbean and Latin America, our women have oily skin and darker tones, so they always ended up looking shiny or ashy and nothing matched," he recalled. Facing the uphill task of competing with internationally recognised brands like Maybelline, Revlon, Max Factor, L'Oréal and CoverGirl, he knew that the quality of his product had to surpass all expectations.

With Trinidad made up of 40% African, 40% Indian and 20% mixed ethnicities, Maharaj ensured that the fledgling company's focus was on being the number one cosmetics supplier locally – a strategy which proved successful throughout the years. "We ship everywhere, from Latin America, Africa, and throughout the Caribbean, and our competitors are in all these markets, so if we cannot beat them at home we cannot beat them elsewhere, and the fact that we dominate them so well here gives us the confidence to compete in other markets."

Since the strategy was to market Sacha as specifically tailored for exotic skin, the interest was immediate; word began to spread and the product soon started to fly off the shelves. With Sacha now a household name across the twin-island republic, holding 80% of the home market, the green light was given in the late 1980s for export of the product to Barbados. There was little surprise that the cosmetics brand soon made

a name for itself in the 166-square mile 'New York of the Caribbean', which had been chosen for its location and middle and high-end markets. "Trinidadians and Barbadians are like family. I love the country and so we made the decision to send our products there to see the response, and it was wonderful." With the success in Barbados, exports all along the island chain quickly followed. The Trinidadian brand made its way into Saint Lucia, Dominica, Antigua and Barbuda, and Jamaica, until Sacha cosmetics was being supplied to most CARICOM countries. It was in Cuba, however, that Maharaj found his largest market.

As technology began to take over the world in the late 1990s, the intuitive entrepreneur saw a potential opportunity and struck gold with the bold move.

Already commanding the niche market in exotic skin cosmetics, the company made history with the launch of SachaCosmetics.com, opening a





# SACHA

## COSMETICS

whole new world for attracting thousands of international customers. Since then, through the use of popular social media platforms like Facebook and YouTube, online sales have skyrocketed, leading to a year's worth of Sacha's Buttercup Setting Powder being sold in a single month. "Our website is one of the most highly ranked in the business and currently, half of our export sales is through e-commerce," Maharaj explained.

Well on its way to conquering the Western Hemisphere, the forward momentum gained in CARICOM markets was abruptly halted, however, when Sacha turned its gaze southwards. Non-tariff barriers in Latin America became stumbling blocks for Maharaj as he tried to

expand the reach of the cosmetics company into that market. "CARICOM is trouble-free, as well as the US and Canada. Tackling the Latin American market is fraught with difficulties, as the non-tariff barriers create headaches for exporters. You have to register everything, but the registration process is really to keep you out. You get frustrated and leave. It is very costly and time consuming. In Panama alone, we have to register every shade of lipstick and every shade of nail color, so by the time we are ready to get in, we already spent US\$150,000."

It is these high costs that can make or break a business seeking to expand to overseas markets, and at a time when entrepreneurship is being extolled as the salvation of the region, Maharaj

believes governments and support organisations must look to aid manufacturers. "These agencies can open these markets for us by going to exporting companies making quality products, and say 'well, let me open up markets for you by paying your registration costs and all you have to do is go and sell your products.'" If governments want to expand the marketing base and help eradicate some of the ingrained disadvantages we have operating in small, developing markets this needs to happen. That way, you diversify your economy, gain foreign exchange and keep persons in the country employed," he insisted.

Refusing to be disheartened by the Latin America situation, Sacha made the determination to focus on spreading the cosmetic line across the US. It



# CARIBBEAN EXPORTER OF THE YEAR AWARDS

Recognising Caribbean Excellence



This award validates us in being the Caribbean's number one exporter. It opens doors for you, as we have gone back into Cuba and distributors who were not interested at first are now, because they recognise that our product is outstanding and the rest of the world knows it.

was able to not only get into Southern California, but to break into the ultra-elite Beverly Hills market and become the exclusive make-up brand for several high-end salons.

As he reflected on the reasons for his success, the tireless businessman was also forthright about his mistakes, holding a strong belief that they all served as lessons.

"I made every mistake in the book, but I never made the same one twice. In the Caribbean and some Latin American countries we like our bold, vibrant colours, so we thought all of Latin America would be the same, not realising the conservativeness of Chile and Argentina. We launched and immediately had to tone it down."

In offering advice to those looking to export, he warned that the decision should be based on the ability to compete at all levels.

"It is not about being cheap and exporting a cheap product, because somebody lower will come along. You position your brand and outperform by competing in terms of quality, customer service and overall performance. Build a niche brand that can be marketed anywhere in the world," Maharaj said.

Not prepared to rest on its laurels, the company added yet another title to its ever-expanding list of achievements, winning Caribbean Export's inaugural Caribbean Exporter of the Year award in April 2015. It's an accolade clearly indicating

to potential distributors the company's strengths and victories as it rose from humble beginnings more than three decades ago. "This award validates us in being the Caribbean's number one exporter. It opens doors for you, as we have gone back into Cuba and distributors who were not interested at first are now, because they recognise that our product is outstanding and the rest of the world knows it," Maharaj said proudly.

The family-owned business now has 140 employees and has raised the bar, yet again, by becoming the world's first cosmetics company with Halaal certification. Despite the market challenges that may spring up from time to time, Sacha Cosmetics remains committed to leaving its indelible beauty mark across the globe, one exotic face at a time.

Jenique Belgrave, is a Columnist and Journalist with the Barbados Advocate and holds a MSc. in Applied Psychology.



# company to look out for:

## GeoTech Vision



**Company Name**  
GeoTechVision

**Website**  
[www.geotechvision.com](http://www.geotechvision.com)

**Chief Executive Officer**  
Valrie Grant M.Sc., GISP

**Years in existence**  
6 ans

**Location**  
Kingston, Jamaica

**Product Summary**  
GeoTechVision offers a suite of geospatial and ICT products, services and solutions. We are primarily known for establishing Geographic Information Systems across the Caribbean. Additionally, we offer GPS and Mobility Products and services; we are heavily involved in marketing our own Geo™ brand tablet and also our Classroom Management Solution.

Consultancy services provided by us include, but are not limited to, Project Management, Enterprise GIS solutions and Business Analysis. We also provide surveying and geomatics services and solutions.

**Export markets**  
Guyana, St. Lucia, Barbados, Trinidad and Tobago, St. Vincent and the Grenadines, Suriname, Grenada.

**Major exporting achievements**

1. Establishment of GeoTechVision Guyana Inc. as our second location in the region.
2. Being listed by CIO Review as being among the Most Promising Geospatial Solution Providers for 2015 in the Americas
3. Winning the Caribbean Export Special Award for Excellence in Services Export

**Market entry strategies**  
To enter new markets you must first be aware of the strategic opportunities that are available and have the mental strength needed to undertake

a challenging journey. The next step is to conduct the necessary research to understand the market, determine the customer base and identify any competitors. Exporters should always be knowledgeable (have both business knowledge and practical knowledge) about the area you are embarking on. You should determine your vision and know where you see the business going. It is also important to understand the tax, legal and business environment in your target market. Always do your homework when it comes to the legal and tax requirements and be aware of the social and cultural norms in the country. Exporters should develop a detailed, yet flexible business plan and have it reviewed by a trusted advisor or seek professional help. Create a strong support network consisting of mentors, an advisory board and trusted associates. You can source financing for your venture in the form of personal savings, a loan, or even contact friends for any possible assistance. Finally, companies must acquire the right human resources and tools and invest in them, track the progress of





your venture, listen to the feedback from your customers, adequately manage your finances and consistently innovate based on market trends and new opportunities.

#### Greatest Exporting Lessons Learnt

1. The availability of capital to move business forward in export markets is critical.
2. Stick to your plan for growing your business in spite all the 'hype' – promised support sometimes does not always materialize as you expect.
3. Well documented procedures and expert knowledge as to how to do business in each jurisdiction is usually not readily available and so you have to 'learn on the fly' and it costs you as you go along.
4. The value of having systems and procedures in place and keeping them up to date cannot be overemphasized; especially as you export.
5. A rigorous business risk management process is needed from the onset.
6. In depth market research is needed for any venture and it is useful to be aware

that secondary data is not always readily available.

#### Support Received

In 2010 GeoTechVision benefited from an accelerated grant that was used in developing training materials. These materials were also used in our training in export markets.

#### Name of Award presented to your company

Special Award- Excellence in Services Export

#### Key Success Factors

In this sector, it is easy to get caught in the trap of just providing a cookie cutter service- believing that one size fits all. However, as a company, we pride ourselves on delivering user-specific solutions to our clients. This ensures that return on investment (ROI) is maximized; which makes for happy clients. Additionally, we offer a unique customer experience- our clients love to work with the team because of the level of customer service we provide.

#### General Recommendation on Support Needed by Exporters

1. Assistance in conducting the necessary Market Research: often time secondary data for a given sector/industry is not readily available in certain markets. Market research is such a powerful tool in helping companies to understand the market potential, the customer base, predicting market trends and for overall decision making.
2. Assistance in navigating the local jurisdictions: there is a need for well documented procedures and expert knowledge as to how to do business in each jurisdiction. Having access to Mentors who have successfully walked the export route in a given sector/industry is also needed by businesses looking to export.
3. Business Coaching: entrepreneurs need the right business guidance- someone to help them see the bigger picture. All successful sports teams need a good coach; likewise successful businesses need a great coach.



# exporters' toolbox







# Caribbean Export's Interventions

Caribbean Export seeks to provide CARIFORUM SMEs with the tools to strengthen their capacity to export by offering a range of programmes and initiatives designed to enable private sector development and export promotion.

## EXPORT DEVELOPMENT SERVICES

### Capacity Building

Caribbean Export has a range of training and certification programmes, which are intended not only to build firm capacity but to also increase their knowledge base about the global marketplace:

- **Direct Assistance Grant Scheme (DAGS) Proposal Writing Workshops**  
The DAGS Proposal Writing workshops provide firms with training on grant proposal construction and methodology and the process for applying for grant funding. This information can be used not only for the DAGS but may also be useful for other grant funding schemes.
- **Productivity Network (ProNET)**  
ProNET is a modular training programme for SME owners who want to grow their business and become more competitive.
- **ProNET Train-the-Trainer Programme**  
ProNET's train-the-trainer initiative is designed to allow management and business consultants to further develop their capacity to effectively deliver the ProNET modules.
- **Services Go-Global**  
Services Go-Global is a train-the-trainer certification programme that supports the specific training needs of the region's services sector, with the ultimate aim of enhancing the export potential and success of service-led CARIFORUM firms.
- **Study Tours**  
Study tours provide both SMEs and BSOs with the opportunity to visit new markets and benefit from in-market research, and learn the best practices from some of the most productive businesses and organisations in the world.
- **Benchmarking Assessment**  
Benchmarking provides Trade Promotion Organizations (TPOs) with a reliable and objective assessment of their institution, its efficiency, and its performance in relation to best business practices of TPOs across the world. The assessment identifies areas for improvement through the use of a full complement of benchmark measures developed specifically for TPOs.





- **Brand Development and Packaging Workshops**

The Brand Development and Packaging Workshop was developed to address some of the weaknesses in regional product branding/packaging and overall product presentation for the export market.

- **Market Intelligence Training Workshops**

Market Intelligence Training Workshops for private sector firms and BSOs are designed to assist in the capacity building of the regional private sector to procure high quality market intelligence information through the identification and use of various trade information data sources and platforms.

- **Regional Trade Information Training Programme**

The Regional Trade Information Training Programme builds the capacity of regional experts from various BSOs and TPOs in trade information management.

### Exporters' Toolkit

The Exporter' Toolkit provides a step by step guide on how to export goods and services successfully. It provides templates and resources that can help any business to export regionally or internationally.

### TRADE AND BUSINESS INTELLIGENCE SYSTEM (TBIS)

Caribbean Export provides a range of services

in the area of market intelligence to equip firms with the tools required for effective market research, and provides critical information used to inform the businesses decisions necessary when embarking on exporting goods and services to new markets.

- **Market Intelligence Portal (CE-MIP)**

The CE-MIP is designed to be an online platform, which gives the user the ability to obtain market reports on products, sectors and countries of interest. Key data the portal will report on will be Trade/Economic data, Market/Sector Profiles and reports, Tariff and Non-Tariff data, a business register/database of regional companies, trade agreements analysis, directory of Business Support Organizations, Trade regulation and related documentation, and links to important data sources.

- **Market Pointers**

Given the fact that exporters usually have little time to plough through tedious and complicated market research publications, Caribbean Export provides information on areas which are important for exporting in a succinct and well-organised manner. Upon request, the Agency can provide Market Pointers on a specific product and target export market. It represents an effective tool for presenting data collected on potential markets in a way which is easy to understand.

- **Market Opportunity Briefs**

Market Opportunity Briefs provide key insights on the demand conditions for a

particular product in both traditional and non-traditional markets. This tool analyses various trends such as market size, market growth rate, market consumption capacity, wholesale and retail trends, social factors affecting demand, supply factors, and opportunities for regional companies.

### EXPORT PROMOTION SERVICES

Caribbean Export offers direct market penetration opportunities for firms through branded platforms for specific industries.

- **Design Caribbean**

Design Caribbean is the region's leading contemporary design event displaying the Caribbean's finest handmade designs and innovative products. (<http://www.designcaribbean.com/>)

- **Caribbean Essence**

The Caribbean Essence Fashion Showcase is a Caribbean Export project that demonstrates the vibrancy and creative expression for which we are known. This is where Caribbean Export presents the region's trends in fashion design and the amazing potential within this industry.

- **Caribbean Kitchen**

Caribbean Kitchen seeks to expose CARIFORUM firms in the agro-processing and specialty foods sector that have the DNA to be globally competitive.





- **Soul Fusion**

Soul Fusion is a musical showcase of Caribbean culture with artists from the diverse nature of musical genres from across the Caribbean, namely Reggae, Soca, Creole Music (Zouk, Kompa), Caribbean Jazz, Folk and Afro-Haitian.

- **Caribbean Exporter of the Year Awards (CEYA)**

The Caribbean Exporter of the Year Awards were devised to create an export culture across the region by encouraging CARIFORUM firms to begin exporting or to expand their exports through a programme that acknowledges and rewards exporters. There are six awards available: Emerging Exporter of the Year; Young Exporter of the Year; Female Exporter of the Year; Green Exporter of the Year; Caribbean Exporter of the Year and a Special Award for Excellence in Services Exports.

## ACCESS TO FINANCE

One of the most direct ways in which Caribbean Export impacts SMEs is through its funding programmes. The Agency offers both traditional grant programmes and alternative mechanisms for finance, such as Angel Investing:

- **The Direct Assistant Grant Scheme (DAGS)**

The DAGS is a reimbursement grant funding facility specifically designed to provide financial assistance to legally

registered firms/individuals/BSOs with the potential to export their goods and services.

- **Special Call for Proposals**

The Agency also provides special calls for proposals, allowing applicants to submit proposals for funding outside of the regular DAGS facility e.g. Special Call for Proposals-Food Safety.

- **Regional Angel Investor Network (RAIN)/Caribbean Investment Facilitation Programme (CIFP)**

The RAIN provides a network of angel investors within the Caribbean that are looking to provide private investment in to investment ready startup, early and growth stage SMEs. The CIFP provides a facility to enable promising entrepreneurs to raise capital from angels and other early-stage investors, and to support the development of angel investing in the Caribbean, via the provision of investment facilitation grants to enterprises showing investment promise.

## INVESTMENT PROMOTION

- **Caribbean Association of Investment Promotion Agencies (CAIPA)**

As the Secretariat for CAIPA, Caribbean Export is deeply involved in the support and strengthening of regional investment promotion agencies.

- **Regional Investor of the Year Awards**

The Agency stages the Regional Investor of

the Year Awards, in collaboration with CAIPA which invites nominations for foreign and local investors who have had a significant impact on regional industries. The awards also seek to recognise investors in strategic areas of importance to the region, e.g. green energy, research and development, projects that involve a high degree of innovation and creativity and those that are championed by women.

## BUSINESS ADVOCACY

Caribbean Export seeks to create an enabling business environment for regional SMEs on a macro level by establishing relationships between territories through:

- Bi-national Programmes
- Trade agreements
- Memorandums of Understanding (MOUs)

Within the context of business advocacy, the Agency convenes a number of public/private sector engagement to facilitate the exchange of ideas, experiences and explore opportunities for regional growth and development. Examples of these include: the Caribbean Exporter's Colloquium, the Private Sector Advisory Group, the Caribbean Conference on the International Financial Services Sector and the Regional Innovation Advisory Group.



# Directory of Key Contacts in CARIFORUM States

## CHAMBERS OF COMMERCE

### Antigua and Barbuda

#### Chamber of Commerce and Industry Ltd.

Cnr. North and Popeshead Streets  
P.O. Box 774  
St. John's  
ANTIGUA AND BARBUDA  
T: (268) 462-0743  
F: (268) 462-4575  
E: chamcom@candw.ag

### The Bahamas Chamber of Commerce and Employers' Confederation

Shirley Street & Collins Avenue  
P.O. Box: N-665  
Nassau  
THE BAHAMAS  
T: (242) 322-2145  
F: (242) 322-4649  
W: www.thebahamaschamber.com

### Barbados Chamber of Commerce & Industry

Braemar Court  
Deighton Road  
St. Michael BB 14017  
OR  
P.O. Box 109B  
Brittons Hill  
St. Michael  
BARBADOS  
T: (246) 434-4750  
F: (246) 228-2907  
E: bcci@bdscham.com  
W: www.barbadoschamberofcommerce.com

### Belize Chamber of Commerce and Industry

P.O. Box 291, Second Floor,  
Withfield Tower  
4792 Coney Drive  
Belize City  
BELIZE  
T: (501) 223-5330  
F: (501) 223-5333  
E: bcci@belize.org  
W: www.belize.org/bcci

### Dominica Association of Industry and Commerce

14 Church Street  
P.O. Box 85  
Roseau  
COMMONWEALTH OF DOMINICA  
T: (767) 449-1962  
F: (767) 448-6868  
E: daic@cwdom.dm  
W: www.daic.dm

### Chamber of Commerce and Production of Santo Domingo

Avenida 27 de Febrero  
No. 228, Torre Fruisa  
Sector Esperilla  
DOMINICAN REPUBLIC  
T: (809) 682-2688  
F: (809) 685-2228  
E: info@camarasantadomingo.do  
W: www.camarasantodomingo.do

### Grenada Chamber of Industry & Commerce

Building #11  
Frequent  
P.O. Box 129  
St. George's  
GRENADA  
T: (473) 440-2937/4485  
F: (473) 440-6627  
E: info@grenadachamber.org  
W: www.grenadachamber.org

### Georgetown Chamber of Commerce

P.O. Box 10110  
156 Waterloo Street  
North Cummingsburg  
Georgetown  
GUYANA  
T: (592) 225-5846/ 227-6441  
F: (592) 226-3519  
E: gtchambe@networksgy.com  
gcccommerce2009@gmail.com  
W: www.gccigy.org

### Chambre de Commerce et d'Industrie d'Haïti

4th Floor, Digicel Building 151  
Angle Ave. John Paul II & Impasse Duverger  
Turgeau  
Port au Prince  
HAITI  
T: (509) 2946-7777/ 2943-1173  
E: directionexecutive@ccih.org.ht  
W: www.ccih.org.ht

### Jamaica Chamber of Commerce

Suite 13-15, UDC Office Centre  
Building  
12 Ocean Boulevard  
Kingston  
JAMAICA  
T: (876) 922-0150-1  
F: (876) 924-9056  
E: info@jamaicachamber.org.jm  
W: www.jamaicachamber.org.jm

### St. Kitts-Nevis Chamber of Commerce

P.O. Box 332  
Horsford Road  
Portlands  
Basseterre  
ST. KITTS AND NEVIS  
T: (869) 465-2980/3967  
F: (869) 465-4490  
E: sknchamber@caribsurf.com

### Saint Lucia Chamber of Commerce and Agriculture

1st Floor, American Drywall  
Building  
Vide Bouteille  
P.O. Box 482  
Castries  
SAINT LUCIA  
T: (758) 452-3165/ 453-1540  
F: (758) 453-6907  
E: info@stluciachamber.org  
W: www.stluciachamber.org

### St. Vincent and the Grenadines Chamber of Industry and Commerce

Unit 27  
Cruise Ship Terminal  
Kingstown  
VC0100  
Kingstown  
ST VINCENT AND THE GRENADINES  
T: (784) 457-1464  
F: (784) 456-2944  
E: svgchamber@svg-cic.org  
W: www.svg-cic.org

### Suriname Chamber of Commerce and Industry

Kamer van Koophandel en Fabrieken  
Prof. W.J.A. Kernkampweg 37  
P.O. Box 149  
Paramaribo  
SURINAME  
T: (597) 530-311/530-313  
F: (597) 437-971  
E: chamber@sr.net  
W: www.surinamechamber.com

### Trinidad and Tobago Chamber of Industry and Commerce

Chamber Building  
Columbus Circle  
Westmoorings  
P.O. Box 499  
Port-of-Spain  
TRINIDAD AND TOBAGO  
T: (868) 637-6966  
F: (868) 637-7425  
E: chamber@chamber.org.tt  
W: www.chamber.org.tt

## COALITION OF SERVICE INDUSTRIES

### Antigua and Barbuda Coalition of Services Inc.

P.O. Box W536  
St. John's  
ANTIGUA AND BARBUDA  
T: (268) 462-6628  
E: info@abcsi.org  
W: www.abcsi.org

### Barbados Coalition of Service Industries (BCSI)

Building #3 Unit 2B  
Harbour Industrial Estate  
BARBADOS  
T: (246) 429-5357  
F: (246) 429-5352  
E: info@bcsi.org.bb  
W: www.bcsi.org.bb

### Belize Coalition of Service Providers

Second Floor  
DFC Building  
828 Croney Drive  
Belize City  
BELIZE  
T: (501) 223-4785  
E: info@bcsp.info  
W: www.bcsp.info

### Dominica Coalition of Services Industries

14 Hanover Street  
Roseau  
COMMONWEALTH OF DOMINICA  
T: (767) 266-4092  
F: (767) 440-8740  
E: info@dominicacoalition.org  
W: www.dominicacoalition.org



**Dominican Republic Coalition of Services Industries**

Av. 27 de Febrero esq. Tiradentes.  
Torre Friusa. Oficinas Camara de  
Comercio de Santo Domingo  
Santo Domingo  
DOMINICAN REPUBLIC  
T: (809) 540-6186  
E: info@csird.org

**Grenada Coalition of Service Industries**

GIDC Building  
Frequente Industrial Park  
Grand Anse  
St. George's  
GRENADA  
T: (473) 439-9275  
F: (473) 439-9275  
E: gcic@spiceisl.com

**Guyana Coalition of Service Providers**

c/o Institute of Development  
Studies  
University of Turkeyen  
Georgetown  
GUYANA  
T: (592) 675-9923  
E: gcsp.services@gmail.com

**Jamaica Coalition of Services Industries**

C/o Jamaica Promotions  
Corporation (JAMPRO)  
Head Office: 18 Trafalgar Road  
Kingston 10  
JAMAICA  
T: (876) 978-7755/ 3337 Ext: 2157  
F: (876) 946-0090  
W: www.jamaicatradeandinvest.org

**St. Kitts-Nevis Coalition of Services**

P O Box 186  
C/o Ministry of International  
Trade  
Basseterre  
ST. KITTS AND NEVIS  
T: (869) 465-8631  
E: contact@woodsrite.com

**Saint Lucia Coalition of Services Industries (SLCSI)**

#14 Orange Park Commercial  
Centre  
Bois d'Orange  
P O Box Choc 8056  
Castries  
SAINT LUCIA  
T: (758) 452 7864  
F: (758) 452 8695  
E: slcsi@candw.lc  
W: www.slcsi.org

**St. Vincent and the Grenadines Coalition of Service Industries**

c/o Ministry of Foreign Affairs,  
Foreign Trade and Consumer Affairs  
3rd Floor, Administrative Building  
Kingstown  
ST. VINCENT AND THE  
GRENADINES  
T: (784) 456-2060  
E: info@svgcsi.org  
W: www.svgcsi.org

**Trinidad and Tobago Coalition of Services Industries Limited**

1st Floor, #45 Cornelio Street  
Woodbrook  
Port of Spain  
TRINIDAD AND TOBAGO  
T: (868) 622-9229  
F: (868) 622-8985  
E: info@ttcsi.org  
W: www.ttcsi.org

**MANUFACTURERS' ASSOCIATIONS****Barbados Manufacturers' Association (BMA)**

Suite 201, Bldg. #8  
Harbour Industrial Estate  
St. Michael  
BARBADOS  
T: (246) 426-4474/ 427-9898  
F: (246) 436-5182  
E: info@bma.bb  
W: www.bma.bb

**Dominica Manufacturers' Association (DMA)**

c/o Invest Dominica Authority  
1st Floor Financial Centre  
Kennedy Avenue  
Roseau  
COMMONWEALTH OF  
DOMINICA  
T: (767) 448-2045  
F: (767) 448-5840  
E: info@investdominica.dm

**Guyana Manufacturers' and Services Association Ltd**

157 Waterloo Street  
North Cummingsburg  
Georgetown  
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T: (592) 223-7405/ 223-7406  
F: (592) 225-5615  
E: gma\_guyana@yahoo.com  
W: www.gmsagy.org

**The Jamaica Manufacturers' Association Ltd.**

85A Duke Street  
Kingston  
JAMAICA  
T: (876) 922-8880-3/ 922-8869  
F: (876) 922-9205  
E: jma@cwjamaica.com  
W: www.jma.com.jm

**St. Lucia Manufacturers Association**

P.O. Box MF 7177  
Castries  
SAINT LUCIA  
T: (758) 451-2222  
F: (758) 451-0125  
E: slumanufac@candw.lc  
W: www.madeinstlucia.com

**Suriname Manufacturers' Association**

Coppenamestraat 187  
Paramaribo  
SURINAME  
T: (597) 43-4014 / 43-9797  
F: (597) 43-9798  
E: info@asfasuriname.com  
W: www.asfasuriname.com

**Trinidad and Tobago Manufacturers' Association**

TTMA Building  
42 Tenth Avenue  
Barataria  
P.O. Box 971  
Port-of-Spain  
TRINIDAD AND TOBAGO  
T: (868) 675-8862  
F: (868) 675-9000  
E: info@ttma.com  
W: www.ttma.com

**TRADE PROMOTION ORGANISATIONS****Bahamas Agricultural and Industrial Corporation**

BAIC Building, East Bay Street,  
Nassau, New Providence  
P.O. Box N-4940  
THE BAHAMAS  
T: (242) 322-3740-3/ 325-2288  
F: (242) 322-2130/ 2123  
E: baic@batelnet.bs  
W: www.bahamas.gov.bs/baic

**Barbados Investment and Development Corporation (BIDC)**

P.O. Box 1250, Pelican House  
Princess Alice Highway  
Bridgetown  
St. Michael BB11000  
BARBADOS  
T: (246) 427-5350  
F: (246) 426-7802/ 2300  
E: bidc@bidc.org  
W: www.bidc.org

**Belize Trade and Investment Development Service (BELTRAIDE)**

14 Orchid Garden Street  
Belmopan City  
Cayo District  
BELIZE  
T: (501) 822-3737/  
233-1913/ 2472  
F: (501) 822 0595/ 233-2464  
E: beltraide@belizeinvest.org.bz  
W: www.belizeinvest.org.bz

**Dominica Export Import Agency (DEXIA)**

P.O. Box 173  
Bayfront  
Roseau  
COMMONWEALTH OF  
DOMINICA  
T: (767) 448-2780/ 3494/ 3495  
F: (767) 448-6308  
E: dexia@cwdom.dm  
W: www.dexiaexport.com

**Eastern Caribbean States Export Development Unit (OECS/EDU)**

P.O. Box 769  
4th Floor, Financial Center  
Kennedy Avenue  
Roseau  
COMMONWEALTH OF  
DOMINICA  
T: (767) 448-2240 / 5503/ 6555  
F: (767) 448-5554  
E: eduinfocenter@oecs.org /  
edu@oecs.org  
W: www.oecs.org/edu

**Center for Export and Investment of the Dominican Republic (CEI-RD)**

Ave. 27 de Febrero  
Esq. Ave. Gregorio Luperon  
Plaza de la Bandera  
Santo Domingo  
DOMINICAN REPUBLIC  
T: (809) 530-5505  
F: (809) 534-4447  
W: www.cei-rd.gov.do

**Grenada Industrial Development Corporation**

Frequente Industrial Park  
St. George's  
GRENADA  
T: (473) 444-1035 / 444-4828  
E: invest@grenadaidc.com  
W: www.grenadaidc.com



**Jamaica Promotions****Corporation (JAMPRO)**

Head Office, 18 Trafalgar Road  
Kingston 10  
JAMAICA  
T: (876) 978 7755  
F: (876) 946-0090  
E: info@jamprocorp.com  
W: www.jamaicatradeandinvest.org

**Office of Private Sector  
Relations (OPSR)/Trade  
Export Promotion Agency  
(TEPA)**

2nd Floor, Hewanorra House  
Pointe Seraphine  
Castries  
SAINT LUCIA  
T: (758) 468-2145/ 2123  
F: (758) 452-4606  
E: info@opsrslu.org  
W: www.opsr.org.lc

**Suriname Business  
Development Centre**

Executive Office of the Suriname  
Business Forum  
Hendrikstraat 69  
1st Floor  
Mottonshoop  
SURINAME  
T: (597) 49-9010  
F: (597) 49-9011  
E: info@sbc.sr  
W: www.sbc.sr

**ExporTT**

151B Charlotte Street  
Port of Spain  
TRINIDAD AND TOBAGO  
T: (868) 623-5507  
F: (868) 625-8126  
E: info@exportt.co.tt  
W: www.exportt.co.tt

## EXPORTERS' ASSOCIATIONS

**Dominican Association of  
Exporters (ADOEXPO)**

Virgilio Diaz Ordenez No. 42  
Esq. Viriato Fiallo  
Ens. Julieta  
Santo Domingo, D.N.  
DOMINICAN REPUBLIC  
T: (809) 567-6779/ 227-3388  
F: (809) 563-1926  
W: www.adoexpo.org

**Jamaica Exporters' Association**

1 Winchester Road, Kingston 10  
JAMAICA  
T: (876) 960-4908/ 968-5812  
F: (876) 960-9869  
E: info@exportjamaica.org  
W: www.exportjamaica.org

**The Grenada Exporters  
Association**

C/O Grenada Bureau of Standards  
P.O. Box 2036  
Queen's Park  
St. George's  
GRENADA  
T: (473) 440-5886/ 440-6783  
F: (473) 440-5554  
E: gdsbs@spiceisle.com

## INVESTMENT PROMOTION AGENCIES

**Antigua and Barbuda  
Investment Authority**

Sagcor Financial Centre  
80 Factory Road  
St John's  
ANTIGUA  
T: (268) 480-1001  
F: (268) 480-1020  
W: www.investantiguabarbuda.org

**The Bahamas Investment  
Authority**

Cecil Wallace Whitfield Centre  
West Bay Street  
PO Box CB-10980  
Nassau  
THE BAHAMAS  
T: (242) 327-5826  
F: (242) 327-5806  
W: www.bahamas.gov.bs/bia

**Invest Barbados**

Trident Insurance Financial Centre  
Hastings, Christ Church  
BARBADOS  
T: (246) 626-2000  
F: (246) 626-2099  
E: info@investbarbados.org  
W: investbarbados.org

**Belize Trade and Investment  
Development Service  
(BELTRAIDE)**

14 Orchid Garden Street  
Belmopan  
BELIZE  
T: (501) 822-3737 /  
(501) 822-0175  
F: (501) 822-0595  
E: beltraide@belizeinvest.org.bz  
W: www.belizeinvest.org.bz

**Cayman Islands Department of  
Commerce and Investment**

133 Elgin Avenue, George Town  
2nd Floor, Government  
Administration Building  
P.O Box 126, Grand Cayman  
CAYMAN ISLANDS  
T: (345) 945-0943  
F: (345) 945-0941  
E: info@dc.gov.ky  
W: www.dci.gov.ky

**Curacao Ministry of Economic  
Development**

Molenplein z/n  
Willemstad  
CURACAO  
T: (5999) 462-1444  
F: (5999) 462-7590  
W: www.curinvest.com

**Invest Dominica Authority**

1st Floor Financial Centre  
Roseau  
COMMONWEALTH OF  
DOMINICA  
T: (767) 448-2045  
F: (767) 448-5840  
E: info@investdominica.dm  
W: www.investdominica.com

**Center for Export and  
Investment of the Dominican  
Republic (CEI-RD)**

Ave. 27 de Febrero  
Esq. Ave. Gregorio Luperon  
Plaza de la Bandera  
Santo Domingo  
DOMINICAN REPUBLIC  
T: (809) 530-5505  
F: (809) 534-4447  
W: www.cei-rd.gov.doDominican  
Republic

**Grenada Industrial  
Development Corporation**

Frequente Industrial Park  
St. George's  
GRENADA  
T: (473) 444-1035 / 444-4828  
E: invest@grenadaidc.com  
W: www.grenadaidc.com

**Guyana Office for Investment  
(GO-INVEST)**

190 Camp & Church Streets  
Georgetown  
GUYANA  
T: (592) 227-0653/ 0654/ 0658  
F: (592) 225 0655  
E: goinvest@goinvest.gov.gy  
W: www.goinvest.gov.gy

**Centre de Facilitation des  
Investissements en Haiti**

27 Rue Armand Holly, Debussy  
Port-au-Prince  
HAITI  
T: (509) 281-30367 / 281-30369  
E: cfihaiti@gmail.com  
W: www.cfihaiti.net

**Jamaica Promotions  
Corporation (JAMPRO)**

Head Office, 18 Trafalgar Road  
Kingston 10  
JAMAICA  
T: (876) 978 7755  
F: (876) 946-0090  
E: info@jamprocorp.com  
W: www.jamaicatradeandinvest.org

**Montserrat Development  
Corporation**

The New Market Building  
Robert W Griffith Drive  
Little Bay  
MONTSERRAT  
T: (664) 491-4700  
E: info@mdc.ms

**St. Kitts Investment Promotion  
Agency (SKIPA)**

C.A.P. Southwell Industrial Park  
Basseterre  
ST. KITTS AND NEVIS  
T: (869) 465 1153  
F: (869) 465 1154  
E: info@stkittsipa.org  
W: www.stkittsipa.org

**Invest St Lucia**

1st Floor Heraldine Rock Building  
The Waterfront, Castries  
P.O. Box 495  
SAINT LUCIA  
T: (758) 452-3614 / 452-3615  
F: (758) 452-1841  
E: info@investstlucia.com

**Invest SVG**

2nd Floor, Reigate Building  
Granby Street  
P.O. Box 2442 Kingstown  
ST. VINCENT AND THE  
GRENADINES  
T: (784) 457-2159  
F: (784) 456-2688  
E: support@investsvg.com  
W: www.investsvg.com

**Investment Development  
Corporation Suriname**

Brokopondolaan 97  
Paramaribo  
SURINAME  
T: (597) 493186 / 494374  
F: (597) 494387  
E: info@idcs.sr

**InvesTT Trinidad and Tobago**

The Atrium, Don Miguel Road  
Extension  
El Socorro  
TRINIDAD AND TOBAGO  
T: (868) 225-4688  
F: (868) 225-5820  
E: info@investt.co.tt  
Web: www.investt.co.tt

**Turks and Caicos Ministry of  
Finance, Trade and Investment**

The Investment Unit  
N.J.S Francis Building  
Pond Street, Grand Turk  
TURKS AND CAICOS ISLANDS  
T: (649) 946-1587  
F: (649) 946-1498

# appendix





# appendix

## country profiles

### Antigua and Barbuda

<b>Population</b>	90,900
<b>GDP (USD)</b>	\$1.269 billion
<b>GDP Per Capita (USD)</b>	\$13,961.70
<b>GDP Contribution by sector</b>	Agriculture – 1.9% Industry – 18.5% Services – 79.6% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$2.70
<b>Merchandise Trade Export Value (USD thousand)</b>	\$25,247
<b>Top 5 Exports (2014)</b>	1. Other made textile articles, sets, worn clothing etc 2. Aircraft, spacecraft and parts thereof 3. Electrical, electronic equipment 4. Machinery, nuclear reactors, boilers etc 5. Iron and steel
<b>Top 5 Export Partners and (%) share in total exports</b>	1. United Kingdom – 29.1% 2. United States of America – 21.2% 3. Dominica – 7.1% 4. St Kitts and Nevis – 4.5% 5. St Vincent and the Grenadines – 3.4%
<b>Merchandise Trade Import Value (USD thousand)</b>	\$393,003
<b>Top 5 Imports (2014)</b>	1. Vehicles 2. Electrical, electronic equipment 3. Machinery, nuclear reactors, boilers etc 4. Beverages, spirits and vinegar 5. Meat and edible meat offal
<b>Top 5 Import Partners and (%) share in total imports</b>	1. United States of America – 48.8% 2. China – 9.7% 3. United Kingdom – 4.3% 4. Trinidad and Tobago – 3.8% 5. Japan – 3.7%
<b>Ease of Doing Business Rank (out of 189 economies)</b>	89

### The Bahamas

<b>Population</b>	383,100
<b>GDP (USD)</b>	\$8.511 billion
<b>GDP Per Capita (USD)</b>	\$22,217.50
<b>GDP Contribution by sector</b>	Agriculture – 2.1% Industry – 7.3% Services – 90.6% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$1.00
<b>Merchandise Trade Export Value (USD thousand)</b>	\$689,194
<b>Top 5 Exports (2014)</b>	1. Plastics and articles thereof 2. Mineral fuels, oils, distillation products etc 3. Organic chemicals 4. Fish, crustaceans, molluscs, aquatic invertebrates nes 5. Machinery, nuclear reactors, boilers etc
<b>Top 5 Export Partners and (%) share in total exports</b>	1. United States of America – 82.7% 2. France – 3.8% 3. Ireland – 3.6% 4. Canada – 2.1% 5. Ghana – 1.3%
<b>Merchandise Trade Import Value (USD thousand)</b>	\$3,790,366
<b>Top 5 Imports (2014)</b>	1. Mineral fuels, oils, distillation products, etc 2. Machinery, nuclear reactors, boilers, etc 3. Electrical, electronic equipment 4. Plastics and articles thereof 5. Vehicles
<b>Top 5 Import Partners and (%) share in total imports</b>	1. United States of America – 85.8% 2. Barbados – 2.6% 3. Trinidad and Tobago – 1.5% 4. Japan – 0.8% 5. China – 0.7%
<b>Ease of Doing Business Rank (out of 189 economies)</b>	97

## Barbados

<b>Population</b>	283,400
<b>GDP (USD)</b>	\$4.348 billion
<b>GDP Per Capita (USD)</b>	\$15,343.40
<b>GDP Contribution by sector</b>	Agriculture – 3.1% Industry – 12% Services – 85% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$1.98
<b>Merchandise Trade Export Value (USD thousand)</b>	\$480,753
<b>Top 5 Exports (2014)</b>	1. Mineral fuels, oils, distillation products, etc 2. Beverages, spirits and vinegar 3. Pharmaceutical products 4. Optical, photo, technical, medical, etc apparatus 5. Salt, sulphur, earth, stone, plaster, lime and cement
<b>Top 5 Export Partners and (%) share in total exports</b>	1. United States of America – 17% 2. Trinidad and Tobago – 12.4% 3. Guyana – 5.2% 4. St Lucia – 4.2% 5. Jamaica – 4%
<b>Merchandise Trade Import Value (USD thousand)</b>	\$1,740,471
<b>Top 5 Imports (2014)</b>	1. Mineral fuels, oils, distillation products, etc 2. Electrical, electronic equipment 3. Machinery, nuclear reactors, boilers, etc 4. Vehicles 5. Pharmaceutical products
<b>Top 5 Import Partners and (%) share in total imports</b>	1. United States of America – 35% 2. Trinidad and Tobago – 20.5% 3. China – 5.3% 4. United Kingdom – 4% 5. Suriname – 3.8%
<b>Ease of Doing Business Rank (out of 189 economies)</b>	106

## Belize

<b>Population</b>	351,700
<b>GDP (USD)</b>	\$1.624 billion
<b>GDP Per Capita (USD)</b>	\$4,719.1 (2013 figure)
<b>GDP Contribution by sector</b>	Agriculture – 13.1% Industry – 16% Services – 70.9% (2014 estimate)
<b>Official Exchange rate (per US Dollar)</b>	\$1.98
<b>Merchandise Trade Export Value (USD thousand)</b>	\$423,802
<b>Top 5 Exports (2014)</b>	1. Edible fruit, nuts, peel of citrus fruit, melons 2. Fish, crustaceans, molluscs, aquatic invertebrates 3. Sugars and sugar confectionery 4. Mineral fuels, oils, distillation products etc 5. Vegetable, fruit, nut, etc food preparations
<b>Top 5 Export Partners and (%) share in total exports</b>	1. United States of America – 22.9% 2. United Kingdom – 22.7% 3. Mexico – 6.1% 4. Italy – 4.3% 5. Ireland – 4%
<b>Merchandise Trade Import Value (USD thousand)</b>	\$925,188
<b>Top 5 Imports (2014)</b>	1. Ships, boats and other floating structures 2. Machinery, nuclear reactors, boilers etc 3. Mineral fuels, oils, distillation products etc 4. Commodities not elsewhere specified 5. Electrical, electronic equipment
<b>Top 5 Import Partners and (%) share in total imports</b>	1. United States of America – 25.6% 2. Mexico – 12.7% 3. China – 10.4% 4. Guatemala – 9.9% 5. Spain – 5.3%
<b>Ease of Doing Business Rank (out of 189 economies)</b>	118



## Dominica

Population	72,340
GDP (USD)	\$537.8 million
GDP Per Capita (USD)	\$7,433.9
GDP Contribution by sector	Agriculture – 14.8% Industry – 14.1% Services – 71.1% (2014 est)
Official Exchange rate (per US Dollar)	\$2.70
Merchandise Trade Export Value (USD thousand)	\$75,668
Top 5 Exports (2014)	<ol style="list-style-type: none"> <li>1. Mineral fuels, oils, distillation products, etc</li> <li>2. Soaps, lubricants, waxes, candles, modelling pastes</li> <li>3. Salt, sulphur, earth, stone, plaster, lime and cement</li> <li>4. Machinery, nuclear reactors, boilers, etc</li> <li>5. Miscellaneous chemical products</li> </ol>
Top 5 Export Partners and (%) share in total exports	<ol style="list-style-type: none"> <li>1. Jamaica – 49.8%</li> <li>2. Guyana – 6.4%</li> <li>3. Bahamas – 4.3%</li> <li>4. France – 3.9%</li> <li>5. South Africa – 3.6%</li> </ol>
Merchandise Trade Import Value (USD thousand)	\$202,723
Top 5 Imports (2014)	<ol style="list-style-type: none"> <li>1. Electrical, electronic equipment</li> <li>2. Commodities not elsewhere specified</li> <li>3. Machinery, nuclear reactors, boilers, etc</li> <li>4. Vehicles</li> <li>5. Plastics and articles thereof</li> </ol>
Top 5 Import Partners and (%) share in total imports	<ol style="list-style-type: none"> <li>1. United States of America – 31.7%</li> <li>2. China – 18.3%</li> <li>3. Canada – 4.1%</li> <li>4. United Kingdom – 4%</li> <li>5. Singapore – 3.7%</li> </ol>
Ease of Doing Business Rank (out of 189 economies)	97

## Dominican Republic

Population	10.41 million
GDP (USD)	\$63.97 billion
GDP Per Capita (USD)	\$6,147.3
GDP Contribution by sector	Agriculture – 6.3% Industry – 32.1% Services – 61.6% (2014 est)
Official Exchange rate (per US Dollar)	\$44
Merchandise Trade Export Value (USD thousand)	\$9,927,796
Top 5 Exports (2014)	<ol style="list-style-type: none"> <li>1. Pearls, precious stones, metals, coins etc</li> <li>2. Optical, photo, technical, medical, etc apparatus</li> <li>3. Electrical, electronic equipment</li> <li>4. Tobacco and manufactured tobacco substitutes</li> <li>5. Mineral fuels, oils, distillation products, etc</li> </ol>
Top 5 Export Partners and (%) share in total exports	<ol style="list-style-type: none"> <li>1. United States of America – 49.1%</li> <li>2. Haiti – 14.3%</li> <li>3. Canada – 9.2%</li> <li>4. Switzerland – 2.5%</li> <li>5. China – 1.7%</li> </ol>
Merchandise Trade Import Value (USD thousand)	\$17,751,695
Top 5 Imports (2014)	<ol style="list-style-type: none"> <li>1. Mineral fuels, oils, distillation productions, etc</li> <li>2. Electrical, electronic equipment</li> <li>3. Plastics and articles thereof</li> <li>4. Machinery, nuclear reactors, boilers etc</li> <li>5. Vehicles</li> </ol>
Top 5 Import Partners and (%) share in total imports	<ol style="list-style-type: none"> <li>1. United States of America – 41%</li> <li>2. China – 11.6%</li> <li>3. Mexico – 6%</li> <li>4. Venezuela – 5.2%</li> <li>5. Trinidad and Tobago – 4.6%</li> </ol>
Ease of Doing Business Rank (out of 189 economies)	84

## Grenada

<b>Population</b>	106,300
<b>GDP (USD)</b>	\$882.2 million
<b>GDP Per Capita (USD)</b>	\$8,295.5
<b>GDP Contribution by sector</b>	Agriculture – 5.9% Industry – 11% Services 83.2% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$2.70
<b>Merchandise Trade Export Value (USD thousand)</b>	\$30,556
<b>Top 5 Exports (2014)</b>	1. Coffee, tea, mate and spices 2. Fish, crustaceans, molluscs, aquatic invertebrates nes 3. Commodities not elsewhere specified 4. Ships, boats and other floating structures 5. Cocoa and cocoa preparations
<b>Top 5 Export Partners and (%) share in total exports</b>	1. United States of America – 31.8% 2. Germany – 10% 3. Netherlands – 8.2% 4. Antigua and Barbuda – 7% 5. Canada – 6%
<b>Merchandise Trade Import Value (USD thousand)</b>	\$196,333
<b>Top 5 Imports (2014)</b>	1. Commodities not elsewhere specified 2. Electrical, electronic equipment 3. Meat and edible meat offal 4. Machinery, nuclear reactors, boilers etc 5. Vehicles
<b>Top 5 Import Partners and (%) share in total imports</b>	1. United States of America – 42.8% 2. China – 7.6% 3. Barbados – 5.8% 4. Malaysia – 5.7% 5. United Kingdom – 5.1%
<b>Ease of Doing Business Rank (out of 189 economies)</b>	126

## Guyana

<b>Population</b>	763,900
<b>GDP (USD)</b>	\$3.228 billion
<b>GDP Per Capita (USD)</b>	\$4,226.2
<b>GDP Contribution by sector</b>	Agriculture – 20.3% Industry – 39.2% Services – 40.5% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$205.98
<b>Merchandise Trade Export Value (USD thousand)</b>	\$1,147,492
<b>Top 5 Exports (2014)</b>	1. Pearls, precious stones, metals, coins etc 2. Cereals 3. Sugar and sugar confectionery 4. Ores, slag and ash 5. Fish, crustaceans, molluscs, aquatic invertebrates nes
<b>Top 5 Export Partners and (%) share in total exports</b>	1. United States of America – 26.9% 2. United Kingdom – 12.1% 3. Venezuela – 9.6% 4. Canada – 8.4% 5. Jamaica – 5.9%
<b>Merchandise Trade Import Value (USD thousand)</b>	\$1,744,886
<b>Top 5 Imports (2014)</b>	1. Mineral fuels, oils, distillation products, etc 2. Machinery, nuclear reactors, boilers etc 3. Vehicles 4. Electrical, electronic equipment 5. Plastics and articles thereof
<b>Top 5 Import Partners and (%) share in total imports</b>	1. United States of America – 25.4% 2. Trinidad and Tobago – 19.8% 3. Venezuela – 10.1% 4. China – 7.7% 5. Netherlands Antilles – 3.7%
<b>Ease of Doing Business Rank (out of 189 economies)</b>	123



## Haiti

<b>Population</b>	10.57 million
<b>GDP (USD)</b>	\$8.713 billion
<b>GDP Per Capita (USD)</b>	\$824.2
<b>GDP Contribution by sector</b>	Agriculture – 24.7% Industry – 20% Services – 55.3%
<b>Official Exchange rate (per US Dollar)</b>	\$52
<b>Merchandise Trade Export Value (USD thousand)</b>	\$1,072,774
<b>Top 5 Exports (2014)</b>	<ol style="list-style-type: none"> <li>1. Articles of apparel, accessories, knit or crochet</li> <li>2. Articles of apparel, accessories, not knit or crochet</li> <li>3. Essential oils, perfumes, cosmetics, toiletries</li> <li>4. Cocoa and cocoa preparations</li> <li>5. Edible fruit, nuts, peel of citrus fruit, melons</li> </ol>
<b>Top 5 Export Partners and (%) share in total exports</b>	<ol style="list-style-type: none"> <li>1. United States of America – 84.7%</li> <li>2. Canada – 3.4%</li> <li>3. Mexico – 2.1%</li> <li>4. China – 1.4%</li> <li>5. France – 1.1%</li> </ol>
<b>Merchandise Trade Import Value (USD thousand)</b>	\$4,116,244
<b>Top 5 Imports (2014)</b>	<ol style="list-style-type: none"> <li>1. Commodities not elsewhere specified</li> <li>2. Cotton</li> <li>3. Cereals</li> <li>4. Plastics and articles thereof</li> <li>5. Mineral fuels, oils, distillation products, etc</li> </ol>
<b>Top 5 Import Partners and (%) share in total imports</b>	<ol style="list-style-type: none"> <li>1. Dominican Republic – 32.6%</li> <li>2. United States of America – 31%</li> <li>3. China – 9.5%</li> <li>4. Indonesia – 2.1%</li> <li>5. India – 1.8%</li> </ol>
<b>Ease of Doing Business Rank (out of 189 economies)</b>	180

## Jamaica

<b>Population</b>	2.721 million
<b>GDP (USD)</b>	\$14.36 billion
<b>GDP Per Capita (USD)</b>	\$5,290.5 (2013 figure)
<b>GDP Contribution by sector</b>	Agriculture – 6.9% Industry – 21.1% Services – 72% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$118
<b>Merchandise Trade Export Value (USD thousand)</b>	\$1,451,988
<b>Top 5 Exports (2014)</b>	<ol style="list-style-type: none"> <li>1. Inorganic chemicals, precious metal compound, isotopes</li> <li>2. Mineral fuels, oils, distillation products, etc</li> <li>3. Ores, slag and ash</li> <li>4. Beverages, spirits and vinegar</li> <li>5. Commodities not elsewhere specified</li> </ol>
<b>Top 5 Export Partners and (%) share in total exports</b>	<ol style="list-style-type: none"> <li>1. United States of America – 39.5%</li> <li>2. Canada – 15.3%</li> <li>3. Netherlands – 5.7%</li> <li>4. United Kingdom – 5.2%</li> <li>5. Russia – 5.1%</li> </ol>
<b>Merchandise Trade Import Value (USD thousand)</b>	\$5,835,517
<b>Top 5 Imports (2014)</b>	<ol style="list-style-type: none"> <li>1. Mineral fuels, oils, distillation products, etc</li> <li>2. Machinery, nuclear reactors, boilers, etc</li> <li>3. Vehicles</li> <li>4. Electrical, electronic equipment</li> <li>5. Plastics and articles thereof</li> </ol>
<b>Top 5 Import Partners and (%) share in total imports</b>	<ol style="list-style-type: none"> <li>1. United States of America – 39.2%</li> <li>2. Venezuela – 11.5%</li> <li>3. Trinidad and Tobago – 10.2%</li> <li>4. China – 6.8%</li> <li>5. Mexico – 3.3%</li> </ol>
<b>Ease of Doing Business Rank (out of 189 economies)</b>	58

## St Kitts and Nevis

<b>Population</b>	54,940
<b>GDP (USD)</b>	\$833.3 million
<b>GDP Per Capita (USD)</b>	\$15,167.0
<b>GDP Contribution by sector</b>	Agriculture – 1.5% Industry – 23% Services – 75.4% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$2.70
<b>Merchandise Trade Export Value (USD thousand)</b>	\$105,962
<b>Top 5 Exports (2014)</b>	1. Electrical, electronic equipment 2. Ships, boats and other floating structures 3. Commodities not elsewhere specified 4. Mineral fuels, oils, distillation products, etc 5. Optical, photo, technical, medical etc apparatus
<b>Top 5 Export Partners and (%) share in total exports</b>	1. United States of America – 52.8% 2. Poland – 20.8% 3. Bolivia – 5.4% 4. Canada – 5.3% 5. Germany – 4%
<b>Merchandise Trade Import Value (USD thousand)</b>	\$397,039
<b>Top 5 Imports (2014)</b>	1. Ships, boats and other floating structures 2. Electrical, electronic equipment 3. Mineral fuels, oils, distillation products, etc 4. Commodities not elsewhere specified 5. Machinery, nuclear reactors, boilers, etc
<b>Top 5 Import Partners and (%) share in total imports</b>	1. United States of America – 46.5% 2. Germany – 18.3% 3. China – 6.7% 4. Canada – 2.9% 5. United Kingdom – 2.6%
<b>Ease of Doing Business Rank (out of 189 economies)</b>	121

## Saint Lucia

<b>Population</b>	183,600
<b>GDP (USD)</b>	\$1.365 billion
<b>GDP Per Capita (USD)</b>	\$7,435.1
<b>GDP Contribution by sector</b>	Agriculture – 3% Industry – 14.5% Services – 82.5% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$2.70
<b>Merchandise Trade Export Value (USD thousand)</b>	\$203,904
<b>Top 5 Exports (2014)</b>	1. Mineral fuels, oils, distillation products, etc 2. Electrical, electronic equipment 3. Edible fruit, nuts, peel of citrus fruit, melons 4. Commodities not elsewhere specified 5. Beverages, spirits and vinegar
<b>Top 5 Export Partners and (%) share in total exports</b>	1. Suriname – 55.4% 2. Barbados – 19.4% 3. United States of America – 9% 4. Guyana – 6.1% 5. United Kingdom – 4.6%
<b>Merchandise Trade Import Value (USD thousand)</b>	\$2,221,815
<b>Top 5 Imports (2014)</b>	1. Mineral fuels, oils, distillation products, etc 2. Commodities not elsewhere specified 3. Machinery, nuclear reactors, boilers, etc 4. Electrical, electronic equipment 5. Meat and edible meat offal
<b>Top 5 Import Partners and (%) share in total imports</b>	1. Brazil – 50.6% 2. United States of America – 31.2% 3. Colombia – 10.1% 4. China – 1.3% 5. United Kingdom – 1%
<b>Ease of Doing Business Rank (out of 189 economies)</b>	100



## St Vincent and the Grenadines

<b>Population</b>	109,400
<b>GDP (USD)</b>	\$728.7 million
<b>GDP Per Capita (USD)</b>	\$6,663.3
<b>GDP Contribution by sector</b>	Agriculture – 8.5% Industry – 20.9% Services – 70.6% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$2.70
<b>Merchandise Trade Export Value (USD thousand)</b>	\$71,609
<b>Top 5 Exports (2014)</b>	<ol style="list-style-type: none"> <li>1. Ships, boats and other floating structures</li> <li>2. Milling products, malt, starches, inulin, wheat gluten</li> <li>3. Beverages, spirits and vinegar</li> <li>4. Works of art, collectors pieces and antiques</li> <li>5. Fish, crustaceans, molluscs, aquatic invertebrates nes</li> </ol>
<b>Top 5 Export Partners and (%) share in total exports</b>	<ol style="list-style-type: none"> <li>1. Poland – 42.8%</li> <li>2. Turkey – 12.2%</li> <li>3. Barbados – 12%</li> <li>4. Antigua and Barbuda – 7.9%</li> <li>5. Italy – 5.1%</li> </ol>
<b>Merchandise Trade Import Value (USD thousand)</b>	\$409,947
<b>Top 5 Imports (2014)</b>	<ol style="list-style-type: none"> <li>1. Commodities not elsewhere specified</li> <li>2. Ships, boats and other floating structures</li> <li>3. Mineral fuels, oils, distillation products, etc</li> <li>4. Cereals</li> <li>5. Machinery, nuclear reactors, boilers</li> </ol>
<b>Top 5 Import Partners and (%) share in total imports</b>	<ol style="list-style-type: none"> <li>1. United States of America – 25.3%</li> <li>2. Singapore – 22.9%</li> <li>3. China – 9.1%</li> <li>4. Turkey – 5.8%</li> <li>5. France – 5.3%</li> </ol>
<b>Ease of Doing Business Rank (out of 189 economies)</b>	103

## Suriname

<b>Population</b>	538,200
<b>GDP (USD)</b>	\$5.299 billion
<b>GDP Per Capita (USD)</b>	\$9,933.1 (2013 figure)
<b>GDP Contribution by sector</b>	Agriculture – 8.6% Industry – 37.3% Services – 54.1%
<b>Official Exchange rate (per US Dollar)</b>	\$3.25
<b>Merchandise Trade Export Value (USD thousand)</b>	\$1,917,671
<b>Top 5 Exports (2014)</b>	<ol style="list-style-type: none"> <li>1. Commodities not elsewhere specified</li> <li>2. Mineral fuels, oils, distillation products, etc</li> <li>3. Cereals</li> <li>4. Wood and articles of wood, wood charcoal</li> <li>5. Beverages, spirits and vinegar</li> </ol>
<b>Top 5 Export Partners and (%) share in total exports</b>	<ol style="list-style-type: none"> <li>1. United States of America – 24.3%</li> <li>2. United Arab Emirates – 22%</li> <li>3. Switzerland – 13.6%</li> <li>4. Belgium – 8.5%</li> <li>5. Guyana – 7.3%</li> </ol>
<b>Merchandise Trade Import Value (USD thousand)</b>	\$1,826,728
<b>Top 5 Imports (2014)</b>	<ol style="list-style-type: none"> <li>1. Mineral fuels, oils, distillation products, etc</li> <li>2. Machinery, nuclear reactors, boilers etc</li> <li>3. Vehicles</li> <li>4. Electrical, electronic equipment</li> <li>5. Articles of iron or steel</li> </ol>
<b>Top 5 Import Partners and (%) share in total imports</b>	<ol style="list-style-type: none"> <li>1. United States of America – 27.5%</li> <li>2. Netherlands – 14.4%</li> <li>3. Trinidad and Tobago – 10.6%</li> <li>4. China – 6.7%</li> <li>5. Netherlands Antilles – 6.4%</li> </ol>
<b>Ease of Doing Business Rank (out of 189 economies)</b>	162

## Trinidad and Tobago

<b>Population</b>	1.354 million
<b>GDP (USD)</b>	\$24.43 billion
<b>GDP Per Capita (USD)</b>	\$18,122.7 (2013 figure)
<b>GDP Contribution by sector</b>	Agriculture – 0.5% Industry – 15.2% Services – 84.3% (2014 est)
<b>Official Exchange rate (per US Dollar)</b>	\$6.33
<b>Merchandise Trade Export Value (USD thousand)</b>	\$18,044,103
<b>Top 5 Exports (2014)</b>	<ol style="list-style-type: none"> <li>1. Mineral fuels, oils, distillation products, etc</li> <li>2. Inorganic chemicals, precious metal compound, isotopes</li> <li>3. Organic chemicals</li> <li>4. Iron and steel</li> <li>5. Fertilizers</li> </ol>
<b>Top 5 Export Partners and (%) share in total exports</b>	<ol style="list-style-type: none"> <li>1. United States of America – 33.2%</li> <li>2. Argentina – 10.2%</li> <li>3. Brazil – 6.8%</li> <li>4. Chile – 6.7%</li> <li>5. Peru – 4.6%</li> </ol>
<b>Merchandise Trade Import Value (USD thousand)</b>	\$6,247,520
<b>Top 5 Imports (2014)</b>	<ol style="list-style-type: none"> <li>1. Machinery, nuclear reactors, boilers etc</li> <li>2. Mineral fuels, oils, distillation products, etc</li> <li>3. Vehicles</li> <li>4. Ores, slag and ash</li> <li>5. Electrical, electronic equipment</li> </ol>
<b>Top 5 Import Partners and (%) share in total imports</b>	<ol style="list-style-type: none"> <li>1. United States of America – 38.6%</li> <li>2. Brazil – 8.6%</li> <li>3. China – 6.9%</li> <li>4. Russia – 5.6%</li> <li>5. Canada – 4.6%</li> </ol>
<b>Ease of Doing Business Rank (out of 189 economies)</b>	79



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