



PRESS RELEASE: GENEVA

01.05.09

CARIBBEAN COUNTRIES MUST CONFRONT NEW TRADING CHALLENGES TOGETHER

Caribbean countries are suffering like others around the world from the global financial and economic downturn and need to work strategically together to overcome the crisis, the head of the International Trade Centre (ITC) said today.

ITC – a joint agency of the United Nations and the World Trade Organization (WTO) – is organizing an event to mobilize the private sector on Aid for Trade in Montego Bay on 6 May. It comes on the eve of a major two-day conference called by the Inter-American Development Bank (IDB) and the WTO to review progress with the Aid for Trade initiative in Latin America and the Caribbean.

“Supporting private-sector exports through initiatives such as Aid for Trade can help developing countries trade their way out of poverty, and at the same time contribute to the international drive to achieve the Millennium Development Goals,” said Patricia R. Francis, ITC’s Executive Director. “It is vital that we ensure that the voice of the private sector is heard in the Aid for Trade debate”.

Ms Francis, a former President of Jamaica Trade and Invest, went on: “The Caribbean has lost ground in the mining and tourism sectors, and remittances, a longstanding backstop for many economies, are diminishing. When the crisis ends, everyone will need to adjust, and quickly,” she added.

REGIONAL EXPORT STRATEGY NEEDED TO SURMOUNT THE CRISIS

She called for development of a regional export strategy focusing on common geographic markets and sectors and overcoming common constraints for business, based on national export strategies Caribbean countries have been developing with the help of ITC.

ITC said that although growth across the Caribbean would slow this year due to the global economic downturn and weaker demand for Caribbean exports, this should not prompt Caribbean governments to turn their backs on trade. A lapse into protectionism would greatly aggravate the current situation and could prompt a damaging cycle of retaliation from partners within and outside the region.

The Geneva-based agency focuses in particular on the small and medium-sized business sectors, believing that the dynamism and creativity of small businesses can make a significant contribution to securing sustained competitive advantage for developing countries in the emerging world trading system.



Ms Francis noted that the current crisis was likely to produce significant changes in the world trading landscape that Caribbean exporters needed to plan for. "What Caribbean business people need to ask themselves is, what will you sell to China? And also, how will you position yourselves to respond to the opening of US markets to Cuba?" she said.

ITC has a package of programmes designed to help businesses in the region take advantage of export opportunities through services aimed to build export competitiveness such as market intelligence, standards compliance, packaging, branding and linking to trade finance to name a few.

One practical recent initiative is ITC's guide for business people to help them take advantage of the EC-CARIFORUM Economic Partnership Agreement (EPA), which is the first of the European Commission's comprehensive and reciprocal trade agreements to be concluded with the ACP (African, Caribbean and Pacific) nations.

The guide focuses on the services and investment commitments covered by the EPA. It simplifies technical trade jargon into commonly understood language and outlines new opportunities for Caribbean businesses and, where relevant, the limitations that will apply to those opportunities.

The ITC seminar in Montego Bay will focus on the challenges of mobilizing the private sector in the Caribbean sub-region. The seminar will be opened by CARICOM Deputy Secretary-General Lolita Applewhaite; Kenneth Baugh, Deputy Prime Minister and Minister of Foreign Affairs and Foreign Trade of Jamaica; and ITC's Patricia Francis. Valentine Rugwabiza, Deputy Director General of WTO, will speak at the closing session, to capture the private sector concerns for the regional Aid for Trade review that will follow on 7-8 May.

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