Key Aid for Trade (AfT) Priorities of the Caribbean: An overview

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The Objectives of the Caribbean AfT Strategy

- Identify priority areas for AfT interventions
- Present a holistic approach to AfT resource mobilization, monitoring and evaluation
- Increase coherence between regional/national AfT priorities and that of its IDPs
Methodology

Elements of the Methodological Approach:

- The IDB’s ‘Guidelines for Developing National Aid for Trade Strategies’
- Desk Research
- Designation of national AfT Focal Points
- Caribbean AfT Strategy Questionnaire
- Conduct of broad-based National consultations
- Matrix of Aid for Trade Priorities
- Benchmarking using cross-country indicators
- Virtual Coordination Mechanism
  [http://aftstrategy.inbintegrationandtrade.wikispace.net/](http://aftstrategy.inbintegrationandtrade.wikispace.net/)
- Regional Policy Dialogue and Video Conference
Caribbean AfT goals and priorities

**Goal 1: Upgrading Key Economic Infrastructure**
- Maritime Transport
- Information and Communication Technology
- Energy

**Goal 2: Enhancing Competitiveness and Facilitating Trade Expansion and Diversification**
- Trade Facilitation
- SPS
- Quality Infrastructure
- Services
- Private Sector

**Goal 3: Regional Integration and External Trade Agreements**
- Regional Integration
- External Trade Agreements
Goal 1
Upgrading key economic infrastructure: Maritime Transport

Regional Maritime Transport AfT Priorities

- Establishment of a Pan-Caribbean Maritime Corridor
- Establishment of the fast-ferry service in the Southern Caribbean region
- Modernization of port infrastructure
- Regional strategy on freight logistics, maritime transport and trade facilitation
- Development of common shipping policy and fleet modernization in the OECS

Benefits of Enhancing Maritime Transport

- Regionalization of CARICOM’s production and exports
- Increased port productivity and generation of cost savings
- Increased intra-regional trade
Goal 1
Upgrading key economic infrastructure: ICT

Objectives

- Strengthening national and regional e-Governance mechanisms
- Creation of an enabling environment for conducting business electronically
- Increasing competition in broad-band delivery
- Increasing broad-band penetration rate

Regional ICT AfT Priorities

- Creation of a single ICT space
- Develop a mechanism for private-public sector partners in the telecom sector (e-government)
- Develop and commission a regional pilot project on E/M Commerce (hardware, software)
Goal 1
Upgrading key economic infrastructure: Energy

Objectives

- Accelerating the development and use of renewable and alternative energy sources
- Clarifying issues relating to relative competitiveness as natural gas as an energy source
- Strengthening the legislative and regulatory framework to support lower cost energy

Regional Energy-related AfT Priorities

- Develop renewable and alternative energy sources
- Develop and implement a regional bio-energy strategy
- Assess Renewable Energy Resources in areas of wind and solar energy
- Establish a Mechanism for Financing of Small and Micro Renewable Energy and Energy Efficiency (EE) Projects for MSMEs
- Harmonize mechanism for feeding renewable energy sources to grid
- Establish a regulatory framework to support cross-border trade in electricity and natural gas
Goal 2
Enhancing Competitiveness and Facilitating Trade Expansion and Diversification

Regional Trade Facilitation AfT Priorities

- Inter-operability of national Electronic Single Windows

- Regional work plan for implementing preferred trader schemes (Authorized Economic Operator)

- Design and implementation of a goods in transit system (e.g. IDB TIM Programme) for cargo transported by sea

TBT and SPS AfT Priorities

- Build institutional capacity of Regional Institutions

- Build regional and national SPS and quality infrastructure

Services AfT Priorities

- Develop production and export capacity in the 24 industries identified in the Regional Development Strategy for the Services Sector in CARICOM

- Establish a mechanism for Services data collection, analysis and dissemination

- Building capacity of national and regional Coalition of Services Industries

- Implement major projects emanating from the Regional Development Strategy and Action Plan for the Cultural Industries in CARICOM

Private Sector Development AfT Priorities

- Establish mechanism for investment for investment in innovative productive activities

- Establish a trade financing mechanism for pre and post shipment financing
Five Aid for Trade projects for early harvest

– **Maritime Transport**
  - Modernization of Caribbean freight logistics, maritime transport and trade facilitation
  - Modernization of maritime cargo and passenger services in the OECS

– **Information and Communication Technologies**
  - Caribbean Broadband Transformation Strategy

– **Energy**
  - Caribbean renewable and alternative energy Roadmap

– **Private Sector Development**
  - Private sector innovation in the Caribbean
## Five Aid for Trade projects for early harvest

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<tr>
<th>Outcomes</th>
<th>Projects/Activities</th>
<th>Type of Assistance</th>
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| **1. MARITIME TRANSPORT** | Modernisation of Caribbean Freight Logistics, Maritime Transport and Trade Facilitation | • Infrastructure investment  
• Advisory services  
• Workshops for developing policy consensus |
| 1.1 | Improved efficiency & reduced cost of maritime transport  
• Upgrade Caribbean port infrastructure and services  
• Establish innovative maritime transport networks  
• Implement customs and trade facilitation reforms | |
| 1.2 | Modernisation of Maritime Cargo and Passenger Services in the OECS  
• Establish a Fast ferry Service in the Southern Caribbean  
• Develop a Common Shipping Policy  
• Modernise fleet | • Technical and financing advisory services  
• Legal drafting  
• PPP Investment  
• Web development |
| **2. INFORMATION AND COMMUNICATION TECHNOLOGIES** | Caribbean Broadband Transformation Strategy  
• Complete GAP analysis between quality of telecom infrastructure [including infrastructure of other utilities capable of providing broadband services] and demand  
• Review the regulatory framework on spectrum management  
• Create a single ICT space  
• Develop of a Broadband Strategy  
• Create roadmap to address analog switchover  
• Strengthen regional public good (CKLN/C@ribNET)  
• Detail mechanism/ framework for PPPs in the telecom sector  
• Collect and analyse data on Broadband usage and uptake | • Technical advisory services expertise  
• ICT software investment  
• Legal advisory services  
• Seed Investment |
| 2.1 | Increased competition in delivery of broadband services to promote increased access | |
| **3. ENERGY** | Caribbean renewable and alternative energy Roadmap  
• Develop and implement a regional bio-energy strategy  
• Complete an assessment of Renewable Energy Resources in areas of wind and solar energy to provide high quality information to potential RE investors  
• Develop and implement a strategy for promotion of solar cooling technology inclusive of demonstration installation, given potential to reduce energy cost of buildings  
• Establish a Mechanism for Financing of Small and Micro Renewable energy and Energy Efficiency Projects for MSMEs, based on pilot and subsequent replication across Community | • Technical and legal advisory services  
• Financing |
| 3.1 | Accelerated development and use of renewable and alternative energy sources | |
| **8. PRIVATE SECTOR DEVELOPMENT** | Private Sector Innovation in the Caribbean  
• Promote investment in productive activities  
• Establish a mechanism for promoting and financing innovation within the private sector  
• Establish a trade financing mechanism for pre and post shipment support | • Technical advisory services  
• Private-public partnerships  
• FDI and Joint Ventures |
| 8.1 | Strengthened production and export capacity of the private sector | |
The way forward

- Converting projects in the Strategy into concrete project proposals

- Developing three to four large early harvest transformational projects for financing

- Donor Conference

- Continuous engagement of the donor community
THANK YOU!

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