

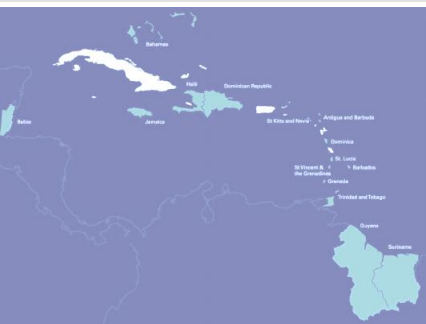
Regional Dialogue on
**Promoting Services Development and Trade
in Latin America and the Caribbean**

12–13 November 2013
Room Raul Prebisch, ECLAC, Santiago

Promoting services supply and export capacity
through external partnerships: pre-conditions for
success, meeting the needs of beneficiaries and
ensuring coordination

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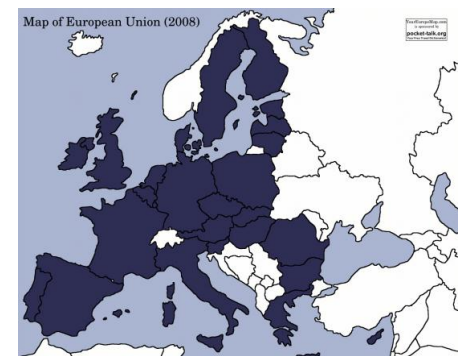
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EPA Implementation Support Project**



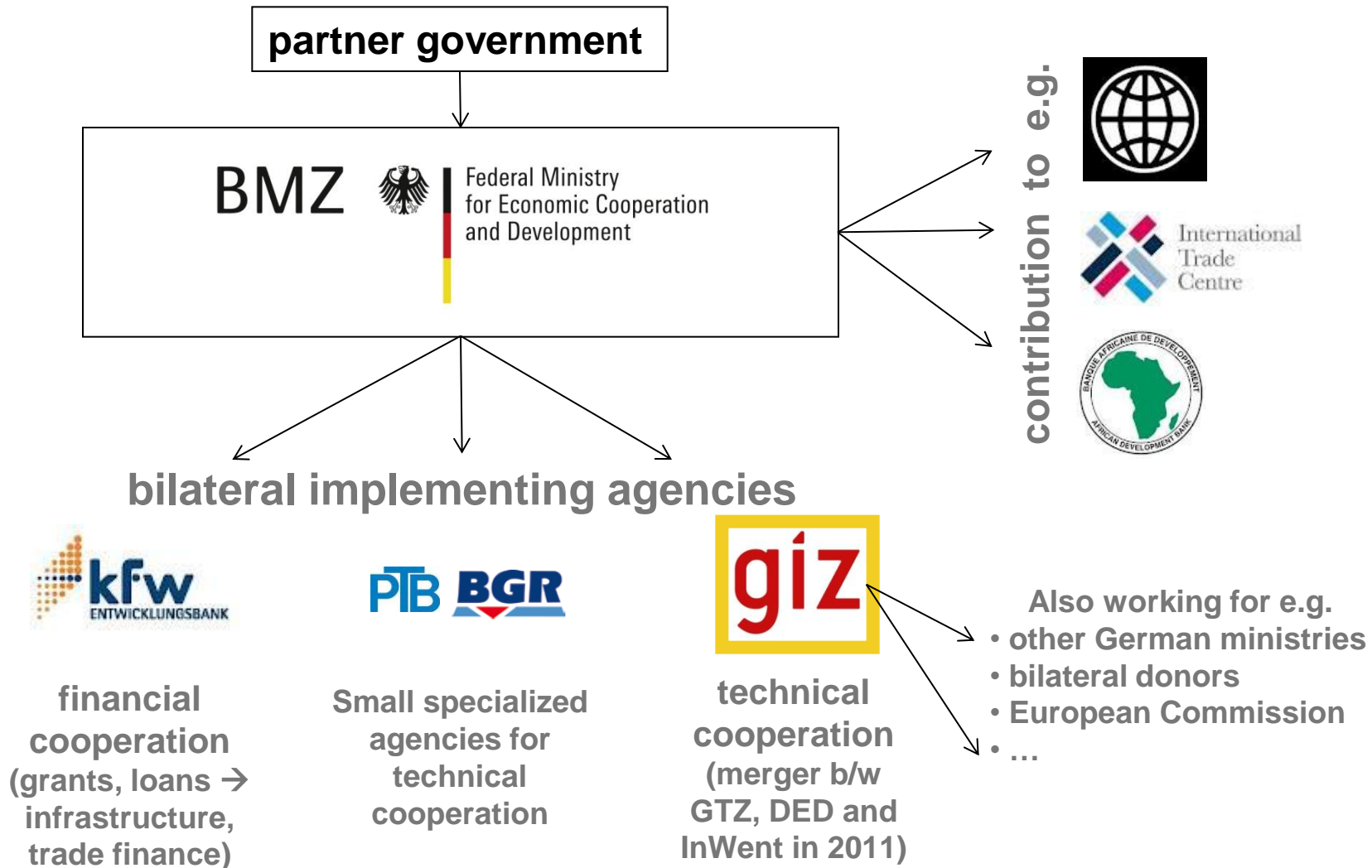


Overview

1. GIZ: technical support to the services sector in the Caribbean and worldwide
2. Importance of partnerships among the services sector
3. Role of the donor community and their cooperation with partner institutions

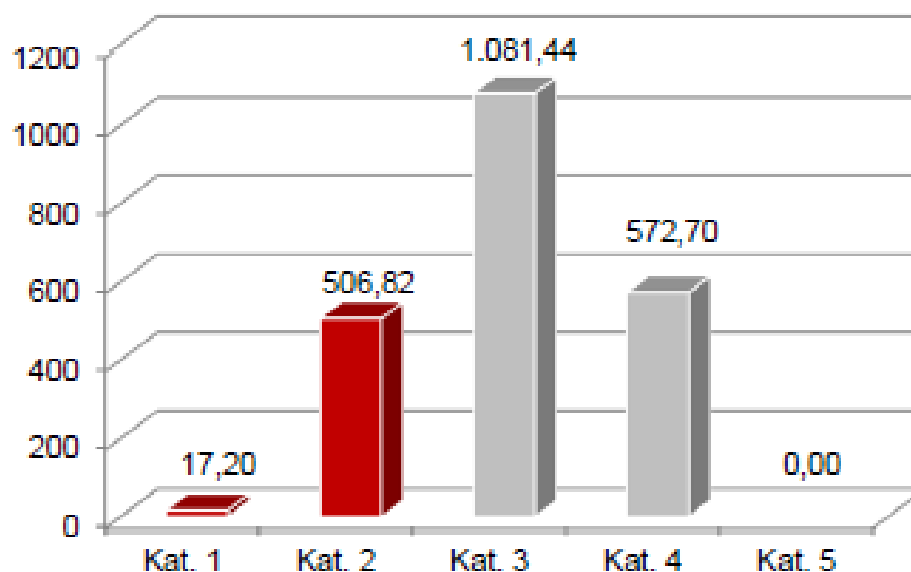


German Development Cooperation





German AfT Volumes in Mio. Euro (2011)



Categories:

- 1 – trade policy and regulation
- 2 – trade promotion
- 3 – trade related infrastructure
- 4 – productive capacities
- 5 – trade related adjustment measures



A German federal enterprise

- Owned by the Federal Republic of Germany
- Organised as a private-sector entity
- Supports the objectives of the German Government

Facts and figures

- Operations in Germany and in over **130 countries** around the world
- Around **17,000 employees**
- Business volume of **some 2 billion euros** in 2011
- Commissioned by **public** and **private-sector bodies** inside and outside Germany
- Main commissioning party: the **German Federal Ministry for Economic Cooperation and Development**



GlZ global trade programme

Part of the work:

Services

- **Negotiation / implementation of commitments on domestic regulation, regulatory principles e.g. in telecoms, postal services and transport**
- **Optimizing regulatory framework in services sectors, fostering networking between trade negotiators and Regulators**
- ➔ **Advisory function towards the German government**
- ➔ **Support of bilateral and regional projects**



Project Objective	Relevant regional and national organisations contribute significantly to a development-friendly implementation of the CARIFORUM-EC EPA
Executing Partner	CARICOM-Secretariat (<i>regional level- public sector</i>) Caribbean Export Development Agency (CEDA) (<i>Private Sector and national level</i>) Agents: Responsible persons for the EPA- Implementation and their respective Ministries as well as Economic Stakeholders of the CARIFORUM countries.
Project Period	01.01.2009 – 31.12.2012, extended until 31.12.2014 on a cost neutral basis / € 4.000.000
Focal Project Points:	<ol style="list-style-type: none">1. Strengthening the institutional and professional abilities of CARIFORUM EPA-Implementation Units on a national and regional level2. Improving the Business enabling Environment of export-oriented companies to seize market access opportunities arising from the EPA, <i>with particular consideration of enhancing the participation of women in regional economic processes.</i>3. Support to export oriented business, especially in the Services Sector



Private Sector Support

Support for development of the **Trade in Goods and Services Sector***, jointly with Caribbean Export (CE)

Objectives:

1. Enhancing competitiveness of firms and regional entrepreneurs/SME's in CARIFORUM countries to **increase effectiveness and export readiness**
2. Enabling businesses to **exploit EPA opportunities**, improving market access opportunities
3. Improving “*crucial services*” (i.e. training) to **exploit market access opportunities in a sustainable manner**

** accounting for approx. 80% of the GDP of regions economies (R. Chaitoo, 2008); 50% of the CARICOM states' private sector activity (P. Pariag, 2009)*



Private Sector Support

Approach:

- Multi-level, supporting to individual companies/SMEs through national Business Support Organisations (BSOs) to build the business capacity, improve the technical expertise of specialists and export oriented enterprises/SME's and **capacitate them to export**
 - **In services, support to Coalitions of Service Industries** (CSIs) to conduct trade advocacy, training, research on services sector, facilitate PPD/ workshops
 - **In goods, support to Associations** (i.e. Manufacturing Associations) and
Chambers of Commerce
- **Human Capacity Development** (HCD), **Institutional Capacity Building** (ICB), and assistance in gaining market access
- **EPA Awareness/ Facilitation of regional networks** (Caribbean Network of Service Coalitions (C-NSC))



Over 100 companies have been supported to attend trade fairs from the Agro-processing, fashion and music sectors, including amongst others:

CARIFESTA, The Gallery, ANUGA, Design Caribbean

As a result companies such as Baron Foods (St. Lucia), Meiling Inc. (Trinidad and Tobago) and DanceBeat Records (St. Kitts and Nevis) are now exporting to countries such as Germany, France, the UK and Slovenia.





Marie Roberte, Health and Wellness/Belzeb, Haiti:



“By attending Design Caribbean, I was able to discover the real demand for my products. As a consequence, I was soon able to double my production and export sales.”



Human Capacity Development

- 300 private sector CARIFORUM companies have received training in business and export development under **ProNET** to date in areas from **Business Strategy**, to Cost and Financial Management and **Export Marketing**
- **Additional training** received as part of trade fair, conferences and seminar support e.g. CARIFESTA 2013, Breakpoint coaching, The Gallery, Suriname Business Forum.
- Access to **international experts** has resulted in market access opportunities and penetration such as CARIFESTA and The Gallery.





The Business Development and Export Marketing Training Programme- PROnet

- Established by GIZ 2011, now carried out by CE
- 2 tiered Training programme focused on building capacity of CARIFORUM manufacturers

Mission

- Enhance the competitiveness of SMEs by raising productivity and profitability, allowing owners/managers to operate their businesses more efficiently and enhance capacity to leverage EPA opportunities



Achievements:

- A regional trainer pool of 28 ProNET **trainers** across 11 CARIFORUM countries
- **Adaptation for Services Sector** proposals developed and successfully awarded for project funding:
 - (i) Services train the trainer programme for the Caribbean Coalitions and
 - (ii) Sustainability Framework project to help CSIs offer services needed by the private sector
- **Best Practices** and lessons learned for the private sector are gathered and integrated.



Coalitions of Service Industries



The Caribbean Network of Service Coalitions

Given critical role of services sector in the regional economic development, CSIs assist in

- developing,
- diversifying and
- fostering the international competitiveness of service sector and its service providers

C-NSC Network:

- Regional network of national service organisations collaborating to raise awareness on services issues, generate support at national and regional levels and share best practices, ultimately to contribute to the development of the region's service industry.





- Business, especially the services sector, have not been involved sufficiently in the Caribbean EPA negotiations, a strong representation is needed for future negotiations (EPA implementation in e.g. MRAs, liberalisation and regulation of other services sectors)
- Sector specific BSOs are generally too weak, general BSOs and chambers do not focus enough on services with its special challenges

But:

- Most Coalitions of Services Industries (CSIs) are still weak, the support by there member companies is often minimal, sustainability depends on donor support
- Regional cooperation is growing, but also with a lot room for improvement, LA wide cooperation only starts now



- **Caribbean Export (CE)** has been providing successfully support in a number of sectors to enhance their export and investment capacity, i.e. in
- Agro-processing, Alternative Energy, **Creative Industries**, Financial Services, Health and Wellness, Light Manufacturing, Professional Services, Specialized Tourism, Specialty Foods, and Sports Tourism...
- For GIZ, it is not only a very successful cooperation, it is also a successful cooperation between the German development cooperation and the European Development Fund!

**Short answer: yes!**

- In the past, the services sector has been neglected or at least underfunded given the high importance of services especially for the Caribbean economies
- Now many donors have started to support, but coordination – though existing – is only an *ex post* exchange, no joint planning

Priorities for the near future:

- Strengthening of positioning in regional negotiations and of negotiating skills
- Closer cooperation across borders between companies, integration of services into global markets and global value chains
- Business financing and strengthening of Intellectual Property Rights



Thank you for your attention!

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Websites:

- GIZ EPA on Facebook: <https://www.facebook.com/GIZ.EPA.Implementation>
- C-NSC: <http://c-nsc.org/>
- Caribbean Export Development Agency: <http://www.carib-export.com/>

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