

PROMOTING INCLUSIVE GROWTH THROUGH DIVERSIFICATION, CREATIVITY AND INNOVATION

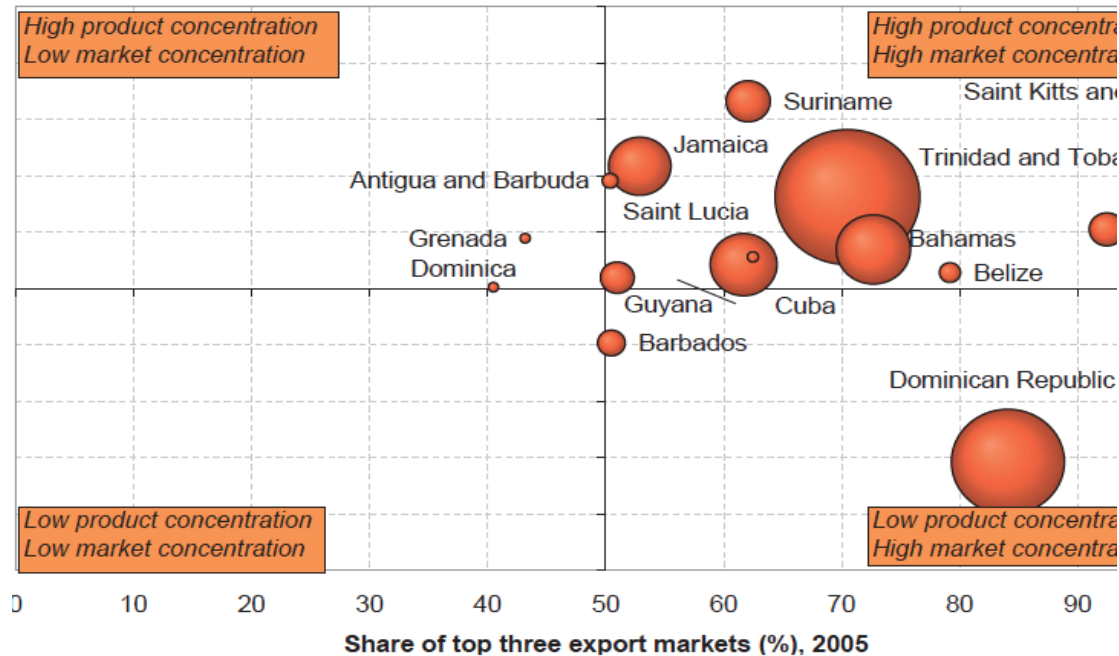
ECLAC Subregional Headquarters for the Caribbean
Port of Spain, Trinidad and Tobago



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Situation



- Most Caribbean countries have experienced structural change away from agriculture and into either industry or services.
- Caribbean exports now tend to be characterised by high product and market concentration.



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Challenges

- **Institutions** – Weak institutional frameworks. that hinder innovation, competitiveness and economic development.
- **Access to finance** – Most Caribbean countries have inefficient credit markets, characterised by high interest rate spreads and high collateral requirements.
- **Technology & Innovation** – Little investment in research and development (R&D) in the Caribbean, partly due to the small market sizes and high fixed costs of R&D. Few countries have high tech exports making up more than 5% of total exports.
- **Infrastructure & Communications** – Low Infrastructure and communications quality.
- **Environment** – The small size and location of most Caribbean countries makes them vulnerable to natural disasters such as hurricanes, floods and rise in sea level
- **Labour & Training** – education programmes suffer from inefficiencies in access, enrolment and quality.
- **Energy** – Most countries in the Caribbean, Trinidad and Tobago excluded, are net energy importers. As such, they are vulnerable to shocks in international oil prices.



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Regional Efforts and Recommendations

Efforts

- CARICOM heads of Government adopted a regional Science and Technology policy aimed at integrating and harmonising national policies in 2007.
- In 2007, a CARICOM report on the Region's Energy Policy was put forward that made recommendations in a number of areas related to energy management in the Caribbean.

Recommendations

- Legal and regulatory reforms
- Public-private partnerships
- Utilising regional institutional structures



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