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U.S.-CARICOM TRADE AND INVESTMENT RELATIONS

*Increasing the Participation of the Caribbean Private Sector in
Caribbean-U.S. Engagements*

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JULY 2022

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INTRODUCTION

A discussion about increasing Caribbean private sector participation in regional engagements with the United States must include an exploration of concrete goals to be gained. While the U.S. geographic proximity is a draw, for many of the region's exporters its market size and complexity are challenging. Perhaps as a result, despite having preferential access, Caribbean goods exports into the U.S. are highly concentrated across a few products and countries. Access into the U.S. services market is hampered by state-based certification requirements. Foreign Direct Investment (FDI) inflows have slowed to a trickle. These deficits should provide adequate incentive for increased engagement. However, this is not the case. Private sector representatives contacted for the paper reiterated that governments take the lead on such matters and the private sector steps in when invited to the table.¹ Meanwhile, there is little evidence that the region's governments, and with private sector institutions following their lead, pay adequate attention to the frameworks and mechanisms facilitating the Caribbean-U.S. trading relationships or to mechanisms which can strengthen or improve them.

Enacted unilaterally by U.S. legislation, the Caribbean Basin Initiative (CBI) trade preference programs which grant products of Caribbean origin preferential access on a unilateral basis into the world's largest market are at times mischaracterized, incorrectly referred to as an "Agreement".² In some countries it is also grossly underutilized. A U.S.-CARICOM Trade and Investment Framework Agreement

¹ Consultations were held with BSOs in Belize, Barbados, Guyana, Jamaica, St. Kitts & Nevis, and Trinidad & Tobago.

² CBI is a combination of five primary pieces of legislation: (1) ***Caribbean Basin Economic Recovery Act (CBERA)*** (Pub. L. No. 98-67, § 201, 97 Stat. 384 (1983)) providing permanent preferential access for over 5000 tariff lines for 17 beneficiary countries including all the English-speaking CARICOM countries that are the focus of this paper; (2) ***Caribbean Basin Trade Partnership Act (CBTPA)*** (Pub. L. No. 106-200, § 211, 114 Stat. 276 (2000)) to provide additional product coverage (notably apparel/textiles and petroleum) for 8 of the CBERA beneficiary countries; (3) ***Haitian Hemispheric Opportunity Through Partnership Encourage (HOPE) Act I*** (Pub. L. No. 109-432, § 5001, 120 Stat. 3180 (2006)); (4) ***HOPE Act II*** (Pub. L. No. 110-246, §15401, 122 Stat. 2289 (2008)); and (5) ***Haitian Economic Lift Program (HELP) Act*** (Pub. L. No. 111-171, § 1, 124 Stat. 1194 (2010)). The HOPE and HELP Acts expand access for qualifying apparel made in Haiti. The 8 CBTPA beneficiary countries are Barbados, Belize, Guyana, Haiti, Jamaica, Saint Lucia, and Trinidad & Tobago. CBERA does not expire while the other legislation require periodic renewal. CBTPA was last renewed in 2020 and is set to expire September 30, 2030. HOPE and HELP Acts have been renewed periodically and expire in 2025.

(TIFA)³ which offers the opportunity to expand the bilateral trading relationship is on its second, lack-luster iteration.

This attention gap can perhaps be explained, but not excused. Trade officials of CARICOM member states have much on their plate and, it can be assumed, limited resources which must be used judiciously. Consequently, the existing machinery will be mobilized to reach out for private sector input when there is an agreement to be negotiated or an issue requiring immediate attention. Meanwhile, CBI as the primary framework for CARICOM-U.S. trade relations requires, at best, periodic intervention. As a unilateral act of the U.S. Congress, there is nothing to be negotiated. The permanence of the CBERA legislation under which the bulk of products receive preferential access removes the need to lobby for its renewal, although this is done periodically for renewal of the CBTPA component which does expire.⁴

Existing mechanisms for private sector engagement around Caribbean-U.S. trading relationships are also underutilized. The TIFA established a Trade and Investment Council (TIC) as a forum to discuss US-CARICOM trading and investment relations. Its explicit provisions for Caribbean private sector participation in the TIFA process have not been implemented, a contributing factor to its current weakness. With a few notable exceptions, the region's private sector entities also make ineffective use of the networks and platforms to which they do have access in attempting to drive more trade with the United States.

As we explore below, goods exports from CARICOM countries into the U.S. are highly concentrated across products and countries. The top five U.S. imports under CBI have been petroleum oils and methanol from Trinidad & Tobago (and most recently Guyana); cotton T-shirts and sweaters of manmade fibers from Haiti; and expandable polystyrene from the Bahamas.⁵ In 2020, the petroleum and methanol products

³ *Trade and Investment Framework Agreement between the Government of the United States of America and the Caribbean Community*, (hereinafter U.S.-CARICOM TIFA) available on the website of the U.S. Trade Representative Office (USTR) at <https://ustr.gov/trade-agreements/trade-investment-framework-agreements> <accessed June 20, 2022>.

⁴ Permanence of CBERA is subject only to a waiver which the U.S. is required to obtain from the WTO. There is no known instance of the program having been suspended pending extension of the waiver.

⁵ U.S. International Trade Commission (USITC), *Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers and on Beneficiary Countries*, 25th Report, 2019-2020, September 2021, Publication Number 5231, Investigation Number 332-227 (hereinafter "USITC Report"), 43.

represented 64% of total U.S. imports under CBI with apparels from Haiti coming in second at 42% (t-shirts alone were 24% of total US imports).⁶ These export sectors primarily represent the efforts of a handful of successful foreign investors with the capital and needed connections in U.S. markets.⁷

Meanwhile, discussions with several Caribbean private sector representatives reveal that for most domestic companies, the U.S. is not seen as the obvious destination market. While the non-tariff barriers (NTBs) in sanitary and phyto-sanitary (SPS) and other requirements were identified as a challenge they are not viewed as the major barriers to entry. Rather, it is the size and complexity of the U.S. market that intimidates and deters. Nevertheless, the discussions with private sector representatives point to tangible benefits that can be derived from their effective engagement.

Research Paper Objectives & Methodology

Expected outcomes of this research paper are to:

- Highlight the existing mechanisms and arrangements for Caribbean-U.S. private sector engagement generally, and private sector engagement in Caribbean-U.S. discussions;
- Identify the major barriers facing Caribbean firms currently or prospectively interested in exporting to the U.S.;
- Propose solutions for addressing these barriers; and
- Propose concrete and implementable recommendations for increasing Caribbean private sector advocacy and participation in Caribbean-U.S. negotiations and discussions.

The term ‘Caribbean’ in this context refers only to the twelve (12) English-speaking independent member states of CARICOM, namely: Antigua & Barbuda, The Bahamas, Barbados, Belize, Dominica, Guyana, Grenada, Jamaica, St. Kitts & Nevis, St. Lucia,

⁶ U.S. Trade Representative (USTR), Fourteenth Report to Congress on the Operation of the Caribbean Basin Economic Recovery Act, December 13, 2021 (hereinafter “USTR Report”), 1.

⁷ The notable exception is expandable polysterene with a share of only 4.1% which is a purely Bahamian investment - <http://www.bahamasfoam.com/about-us.html> <accessed June 20, 2022>.

St. Vincent & the Grenadines, and Trinidad & Tobago. At times, however, for comparative purposes Haiti is discussed in the context of the CBI.

Methodology

To deliver on these objectives, the paper begins with an overview and analysis of goods and services trade with the U.S. and brief discussion of FDI flows into the region. Reports mandated by the U.S. Congress on the CBI provide a rich data source for analysis of goods trade.⁸ Access to meaningful data on services trade is much more challenging.⁹ Briefs by three of the region's Coalition of Service Industry (CSI) associations, which also vary in scope and breadth, are the primary resources for this discussion. The perennial challenge of determining what countries are included in a data set on "the Caribbean" also makes it difficult to find the same subset of countries on which to conduct analysis.¹⁰ For these reasons, and also to more deeply explore perceptions held by the private sector, consultations with several business support organizations (BSOs) provided another rich source of data. Discussions on barriers to trade in goods and services as well as on desired outcomes of increased engagement on trade and FDI were particularly insightful. Limitations of this approach include its self-selection – not all contacted BSOs responded - and the anecdotal nature of the information gained from these consultations. At the same time, the insights gained are invaluable and suggest several areas for future research.

Section I of the paper provides an overview of the framework for CARICOM-U.S. trade and investment relations. After a brief description of relevant legislation, the paper examines goods trade, services trade, and foreign direct investment (FDI) trends.

⁸ Section 215 of the Caribbean Basin Economic Recovery Act (19 U.S.C. § 2704), requires the US International Trade Commission (USITC) to provide biennial reports on the economic impact of CBERA on U.S. industries and consumers and on the economy of beneficiary Caribbean Basin countries.

⁹ Absence of a similarly mandated report on U.S.-Caribbean services trade is only one part of the challenge. Unlike goods trade where the data is captured through border filings, data on services trade may be scattered across multiple institutions and the WTO notes the "particularly wide" gap in communication between producers and users of statistics on services trade, World Trade Organization, "Measuring Trade in Services: A Training Module," November 2010, p. 5 and p. 29, available at https://www.wto.org/english/res_e/statistics_e/services_training_module_e.pdf <last accessed July 31, 2022>.

¹⁰ For example, a World Bank 2000 Caribbean Economic Overview provides data on tourism receipts for "the Caribbean" which includes the Dominican Republic and Haiti. Caribbean Economic Overview 2000, Report No. 20460-LAC, available at https://web.worldbank.org/archive/website00951/WEB/PDF/CG_ECON_.PDF, p. 2 <last accessed July 31, 2022>.

Constraints and challenges that present barriers to trade are discussed. Also explored are private sector perspectives on desired and potential opportunities for growth. Each sub-section on goods, services, and FDI concludes with a summary and one or two priority recommendations to address barriers or. In identifying priority recommendations, the hope is that this will make it easier to begin implementation of proposed solutions.

Section II of the paper explores two existing mechanisms for private sector engagement in U.S.-CARICOM trade discussions – the Summit of the Americas and the Trade and Investment Framework Agreement (TIFA) processes. Section II then explores suggestions for private sector engagement to increase its advocacy and participation, including in the context of the state-led TIFA process from which it has so far been excluded. Recommendations are briefly summed up in the Conclusion with final words on the next steps that could be taken.

SECTION I: OVERVIEW OF CARICOM-U.S. TRADE & INVESTMENT FRAMEWORK

The United States is the region’s main trading partner. This statement is equally true for the commodities exporters, such as Trinidad & Tobago and Guyana, and for the services exporters, such as the Bahamas and Barbados. Countries also rely heavily on U.S.-imported products and, except for Trinidad and Tobago, have a trade deficit with the U.S. The U.S. is also a major source of Foreign Direct Investment (FDI).

Goods Trade with the United States

Thousands of qualifying goods from CARICOM countries benefit from preferential access into the U.S. market under the Caribbean Basin Economic Recovery Act (CBERA) and Caribbean Basin Trade Partnership Act (CBTPA) – known collectively as the Caribbean Basin Initiative (CBI). Whether through a slip of the tongue or a lack of clarity about the unilateral and legislative nature of the CBI preferences, it is not uncommon to hear persons in the region refer to CBI or its components as an

“agreement”. While it may seem to be a moot point, not understanding the framework that provides such a major benefit to the countries’ access to the U.S. market also suggests a lack of attention on how it can be strengthened or improved.

Caribbean products also have access into the U.S. market under the Generalized System of Preferences (GSP) program extended to most developing and emerging economies.¹¹ Also covering thousands of products, the GSP rules of origin are less flexible than those of CBI, which permit inputs to be sourced not just from other CARICOM countries (as with GSP) but also from seven former CBERA beneficiaries.¹² Unlike the CBERA component of CBI which is permanent, the GSP program expires frequently – in fact this has been its status since December 2020. For the Caribbean, there are three other important distinctions between CBI and GSP. First, the CBTPA component incorporates U.S. “import-sensitive” products such as textile and apparel goods which are excluded under GSP. Secondly, the value of a product permitted entry under the GSP program is capped (competitive need limits (CNL) cap) and once exceeded that product loses its GSP eligibility. Thirdly, countries are “graduated” from the GSP program once determined to be a “high income country” as defined by the World Bank. Notably, only eight (8) of the countries that are the focus of this paper are GSP beneficiaries, Antigua & Barbuda, Barbados, the Bahamas, and Trinidad & Tobago having been “graduated” as GSP beneficiaries. None of these three limitations exist for CBI, making it the best option under which Caribbean products can currently gain preferential access into the U.S. market.¹³

It must be noted, however, that the program’s tariff preference margins have eroded steadily over the years.¹⁴ The core benefit of CBI is the ability to capitalize on the margin between the CBI preferential entry rate (typically duty-free) and that available

¹¹ Beneficiary countries currently include large economies like Brazil and South Africa. China (in 2015); and India, Turkey, and Russia (in 2019) were fairly recently removed as beneficiaries. Thailand, Indonesia, Brazil, Cambodia, and the Phillippines were the top five (5) importers in 2020 to the combined tune of US\$ 12.8 billion. (See Congressional Research Service, Generalized System of Preferences, January 13, 2022 <available at <https://crsreports.congress.gov/product/pdf/IF/IF11232>>, accessed July 31, 2022.

¹² These countries are Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua, and Panama which are now members of free trade agreements with the U.S. CBI and GSP rules of origin can be compared by looking at the Harmonized Tariff Schedule of the United States (HTSUS) General Note 4 for GSP, 7 for CBERA, and 17 for CBTPA.

¹³ The only other major trade preference program currently available for products entering the U.S. market is the African Growth and Opportunities Act (AGOA) program.

¹⁴ USITC, “Is Trade Preference Erosion Bad for Development?” Office of Economics Working Paper No. 2006-11-A (2006), 5.

to the 160-plus trading partners who rely on the Most Favored Nation (MFN) tariff rates extended to members of the World Trade Organization (WTO).¹⁵ Able to avoid duties, savings can be passed on to consumers to make the product more cost-competitive. Jamaican yams, for example, enter duty-free while the MFN tariff rate is 6.4% per pound. As the U.S. increases duty-free access to its MFN partners, however, the number of products able to capitalize on that margin and/or the extent of the margin shrink. As we discuss below, the combination of eroding tariff preferences with the propensity of Caribbean exporters to focus on familiar products may mean that the benefits extend to far fewer goods in practice.

The U.S. International Trade Commission (USITC) biennial report analyzing the impact of CBI on U.S. industry and consumers as well as Caribbean beneficiaries is very helpful in understanding the key characteristics of goods trade between the Caribbean and the U.S. As noted above, this trade is highly concentrated in the export of a few products from a few countries.

As the following chart shows, between 2019 to 2020, commodities made up more than 50% of U.S. merchandise exports from all CBI beneficiaries, manufacturing for an average of 25%, while agricultural Imports declined between 1989 and 2020 from 17 to 12%.¹⁶

Value of Goods Exports from CBI Beneficiaries to the US, 2019 – 2020

Commodities	50% or more*
Manufacturing	25%
Agriculture	12%**

USITC Report, p. 71.

**actual share at any point in time depended on price of petroleum products*

***decline from 17% in 1989*

Between 2016 and 2020, the most prolific user of the preferences was Haiti. Its predominantly apparel and textiles goods comprised 55.1 percent of exports into the

¹⁵ This statement is true of all preferential trade agreements and programs.

¹⁶ USITC Report, 71.

U.S. under CBI.¹⁷ Haiti's trading relationship with the United States is not being covered in this paper. However, it is important to note that during this period Haiti's textile exports into the U.S. at times pushed into second place the petroleum-related exports from Trinidad and Tobago.

First among the English-speaking CARICOM countries, Trinidad and Tobago's exports into the U.S. averaged 30.4 percent during this period.¹⁸ The primary exports were petroleum oils, methanol, and melamine.¹⁹ In 2020, Trinidad and Tobago supplied all the crude petroleum and methanol exported to the U.S. under CBI. Until now Trinidad & Tobago has been the primary source of methanol imports into the U.S., but the U.S. domestic industry is expanding its capacity and is now a net exporter of methanol.²⁰ As a result, U.S. demand for methanol imports is expected to decrease.²¹ While Trinidad and Tobago's exports are not dependent on the U.S. market²² this trend highlights the importance of diversifying export products and destination markets.

Exports from Jamaica and the Bahamas were a distant second and third place among the English-speaking Caribbean, averaging 5.3 and 4.1 percent respectively.²³ In 2020, Guyana's petroleum exports rose exponentially and pushed it to second place among the English-speaking CARICOM.²⁴ All U.S. imports under CBI of expandable polystyrene came from the Bahamas.²⁵ Used in building and construction and as packaging materials, its use is increasingly being restricted for environmental reasons, reflected in another area of shrinking U.S. demand.²⁶ Jamaica's primary exports to the U.S. under CBI are agricultural products, notably yams and food preparations such as sauces.²⁷ The remaining 5.1 percent of exports to the U.S. under CBI was distributed

¹⁷ Ibid., 109.

¹⁸ Ibid.

¹⁹ Ibid., 43 and 119. (Melamine is used in making resins and coatings, in tanning leather, and in fertilizer. Exports declined in 2019 and 2020 but the report does not indicate whether this was the impact of covid or a trend.)

²⁰ Ibid., 56.

²¹ Ibid., 57.

²² Ibid., 59.

²³ Ibid., 109.

²⁴ The value of Guyana's CBI exports into the U.S. rose from US \$4 million in 2019 to US \$265 in 2020, an increase of 5,938.5%. Ibid, 110.

²⁵ Ibid., 119.

²⁶ Ibid.

²⁷ Ibid., 121-122

amongst the other 13 beneficiaries. Notably, Saint Kitts and Nevis has been exporting electrical transformers, although it may be losing market share to Haiti.²⁸

A look at the tariff margin between the MFN rates and CBI rates of entry indicates the importance this margin plays in making these products so attractive to export. The following table is illustrative.

²⁸ Ibid., 119. Table 4.9 on page 120 shows a 1% decline in export of electrical transformers from Saint Kitts and Nevis between 2018 and 2020 which seems to have shifted to Haiti which either began to export the same product in 2019 or became aware of the ability to claim CBERA entry rates. The USTR Report indicates that in 2020 while the U.S. imported electrical transformers from Haiti only 37% claimed CBERA preference. *See* USTR Report, 27.

Product	US tariff code	MFN rate	CBI program & rate
Petroleum	2702.00.20	10.5 cents/bbl	Duty-free under CBTPA
Methanol	2905.11.20	5.5%/litre	Duty free under CBERA
Melamine	2933.61.00	3.5%/kg	Duty-free under CBERA
Sauces & preparations	2103.90.90	6.4%	Duty-free under CBERA
Yams	0714.03.10	6.4%	Duty-free under CBERA
Polystyrene	3903.11.00	6.5%	Duty-free under CBERA
Electrical Transformers	8504.31.40	6.6%	Duty-free under CBERA

Compiled by the author from the Harmonized Tariff Schedule of the U.S.

It is worth noting that all the products rely on the permanent provisions under CBERA except for petroleum from Trinidad & Tobago (and apparels from Haiti). One area that falls outside the scope of this paper but deserves further study in seeking to increase exports under CBI could be a closer examination of those products for which demand exists in the U.S. market and potential impact of the CBI preferential rate. The USTR is also charged with preparing a biennial Report on CBERA and its 2021 Report briefly explores this issue with a focus on rum.²⁹

²⁹ USTR Report, 28. The USTR Reports focus on countries' compliance with the eligibility requirements to access CBERA but also addresses program benefits to the beneficiary countries. Eligibility criteria include: 1) mandatory factors such as not being a communist country, not nationalizing or expropriating physical or intellectual property of U.S. citizens, enforcement of arbitral awards in favor of U.S. citizens or their companies, not providing preferential treatment to the products of a third country leading to a significant adverse effect on U.S. commerce, being signatory to an extradition agreement on the extradition of U.S. citizens, and recognition of workers' rights. Discretionary factors include compliance with WTO rules and cooperation in administration of CBERA. Additional requirements exist for CBTPA beneficiaries. *See* USTR Report, 29-33.

Constraints and Challenges for Entry of Caribbean Goods into the U.S. Market

SPS/TBT Barriers

Sanitary and phyto-sanitary (SPS) requirements emerge as a barrier to trade, not in the context of compliance, although this brings some challenges in terms of cost³⁰, but with respect to apparent *ad hoc* enforcement and changing rules. The following examples are illustrative.

Just as occurred with bananas into the EU market, but with less fanfare, another Caribbean export has suffered from U.S. actions aimed at another competitor. To protect the U.S. domestic catfish industry against Vietnamese imports, and after failed attempts to allow only the family of catfish raised in the United States to be labeled or advertised as “catfish,” in 2015 new requirements were imposed for catfish. Unable to provide the certification showing that it meets the new standards, Guyanese exports of catfish into the U.S. have been subject to a ban since February 2018.³¹ The product is in high demand by the Guyanese diaspora community, particularly in New York, and was an important export product. The ban precipitously affected revenue and employment. One company owner reported that he used to export about 100,000 pounds of frozen catfish to New York each month, but since the ban decreased revenue has forced him to reduce staff from twelve to five. Others have switched to the less lucrative Canadian market or to other fish. It begs the question - if the catfish is acceptable to the Canadian market, why would it not be safe for U.S. consumers? No attempt was made to contact Guyanese authorities to get their take on the impasse. It is more important here to identify this issue as ripe for resolution, whether through

³⁰ BSOs reported that companies have accepted the need to comply with the higher standards in international markets and have received training on the Food Safety Modernization Act (FSMA) requirements, for example and invested and/or received grants to get HACCP certification. It can in fact, the JMEA reports, be difficult to even seal a deal with a distributor without these certifications in place. Still, entry into the U.S. market, particularly for food products, is subject to “high standards that change” and so even if a company can meet the standard, it may need financial assistance with the process. Differences in federal and state requirements add to the challenge.

³¹ See Congressional Research Service, “U.S. Catfish Industry and Foreign Trade: A Fact Sheet,” September 3, 2015 available at <https://www.everycrsreport.com/reports/R44177.html> <accessed June 20, 2022>; “Bottom of the Cattle Feeder: U.S., Vietnam in Catfish Fight,” available at NPR.org - <https://www.npr.org/sections/parallels/2013/12/16/250845123/battle-of-the-bottom-feeder-u-s-vietnam-in-catfish-fight>; “U.S. catfish farmers applaud USDA rule,” SeafoodSource, available at <https://www.seafoodsource.com/news/food-safety-health/u-s-catfish-farmers-applaud-usda-rule>; <all links accessed June 20, 2022> and “US ban on Guyana catfish nears third anniversary,” *Stabroek News*, July 26, 2020. This issue came up in discussions with the Guyana BSOs.

bilateral means or use of the TIFA/TIC mechanism.³² It should be noted that the TIC mechanism provides the multilateral forum which CARICOM favors and in the context of which this issue will be revisited.

The Jamaica Manufacturers and Exporters Association (JMEA) has about 500 members, approximately one-third of which export and many of them to the U.S. because of its geographic proximity and large diaspora community.³³ Companies with the proper certification are nevertheless periodically stopped and asked to provide additional documentation or requirements, reported the JMEA. The periodic random requests seem to have no rationale. A recent incident involves a manufacturer which exports over 90% of its products. It can be time-consuming and expensive to produce these additional documents, sometimes even requiring technical services not available on the island.³⁴

Another challenge is the existence of varying requirements at different ports, explained the St. Kitts & Nevis Chamber. Citrus can be shipped to Baltimore but not to Florida, for example.

Complexity of the U.S. Market

The complexity of the U.S. market is viewed by some companies as an almost insurmountable challenge. The Bahamian Trade and Industry Unit and the Bahamas Customs Department advised that “for local companies to benefit from CBERA, challenges for microenterprises should be addressed, including scaling-up issues; logistics management; marketing and promotion; e-commerce; and connecting with niche market opportunities.”³⁵ This perspective was confirmed in discussions with BSOs across the region. “The U.S. is a multiplicity of markets,” said the American Chamber of Trinidad & Tobago (Amcham TT).

³² Under paragraph 3(d) of the U.S.-CARICOM TIFA, the TIC was established to, among other goals, “identify and work and remove impediments to trade and investment between the Parties.”

³³ Approximately 55% of JMEA members are micro to small, classified in Jamaica as having up to 20 employees and JMD 25 million in revenue.

³⁴ Conversation with JMEA.

³⁵ USITC Report, 70.

Discussions with regional BSOs also indicated that companies that already export or seek to do so view the large diaspora population which is already familiar with their products as their target and are less interested in attempting to reach the mainstream U.S. market.

“That’s the market. They know our brands. It is possible to spend millions of dollars advertising to the mainstream U.S. market and not get anywhere. But our diaspora is about one million people mostly along the eastern seaboard. There is the opportunity. A number of Guyanese businesses in the U.S. deal with distribution for our products and most operate through Guyanese-owned distributors.”³⁶

This was the thought process reiterated in conversations with the BSOs in Guyana, Jamaica, and Trinidad & Tobago. The Belize Chamber of Commerce and Industry (“BCCI”) indicated this was not the case with its members.³⁷ Additional research to confirm or clarify these anecdotal observations would be a recommended next step in gaining an improved understanding of motivations by the region’s manufacturers to enter the U.S. market.

Supply-side challenges and constraints remain, nevertheless. For example, achieving growth through targeting the diaspora communities underscores the need for data to support marketing efforts. Because of the small size of exports, state-specific information is unavailable to support market expansion into areas with the large Caribbean communities.³⁸

Small to medium sized companies do not have the capacity to produce and compete in the U.S. market for agricultural produce,³⁹ explained the JMEA. Targeting niche markets provide both an opportunity and a challenge, requiring investment in research to do value-added products and to scale up operations. Even where a comparative advantage with niche products exists, the inability to meet demand leads to “knock-off” products by non-Jamaican companies, said the JMEA.

³⁶ Conversation with Guyana Manufacturers & Services Association (GMSA).

³⁷ Conversation with Belize Chamber of Commerce and Industry (BCCI).

³⁸ Conversation with American Chamber of Commerce Jamaica (hereinafter “AmCham Jamaica”).

³⁹ Jamaican yams are a notable exception.

Sourcing and shipping costs have spiraled during the pandemic, the JMEA further explained. Companies are finding it difficult to source raw materials and containers out of China, reducing capacity and the ability to meet orders. There are reduced calls to local ports, further adding to costs. A container coming from China or the Middle East which used to cost about US \$3,500 now costs about US \$26,000.⁴⁰ As a result, products that do arrive are extremely expensive and manufacturers have to get loans to add to their inventory. All of these factors impact the cost of the finished product.⁴¹

The micro/small size of the majority of companies means that in order to enter any export market, or to scale-up to meet demand, they need the kind of support typically provided by a Small Business Development Center (SBDC) in the U.S. Entering and staying in the U.S. market may require support on such issues as market intelligence, understanding the terms of trade and how to get paid, possible support with market entry, understanding distribution options in the market of choice and legal requirements of distribution arrangements, and how to adequately finance operations.⁴² There is also a lack of trade financing options in the region. The SBDC model is in the process of being implemented by the Caribbean Export Development Agency.⁴³

As Trinidad & Tobago has begun to brand its unique food products and expand exports, ExportTT is also implementing some hands-on solutions.⁴⁴ Jamaica is implementing a development program, ExportMax, a partnership between several agencies and JMEA, to help small companies to access export markets through hands-on support and help with financing to travel to trade shows.

Some micro companies may see opportunity and express fewer concerns about market intelligence and support. “Once the right products get to areas of high concentration of the diaspora they will sell,” declared the MSME Alliance in Jamaica. “Someone may want to ship a container-load of Tastee patties, for example, and Devon House ice cream is the third-best in the world,” he continued. Talking about the need to get away

⁴⁰ Conversation with JMEA.

⁴¹ Conversation with JMEA.

⁴² Issues highlighted by the Saint Kitts & Nevis and the Trinidad & Tobago Chambers.

⁴³ See Caribbean Small Business Development Centres <https://www.carib-export.com/export-development/small-business-development-centres-sbdcs/> <accessed June 20, 2022>.

⁴⁴ The Trinidad & Tobago Chamber of Industry & Commerce (hereinafter “TT Chamber”) explained that ExportTT has been hiring consultants in the U.S., doing market research on possible distributors, and information dissemination workshops with the private sector. The research has even included a look at supermarkets and their potential to carry the country’s products. Nevertheless, a meeting of the minds comes down to scale and price points.

from “one-way trade” he identified craft items, aromatic soap products, condiments, juices, oils, and spices as products in which Jamaica can be competitive.⁴⁵ What gets in the way, he concluded, is the lack of transparently, readily available, product-specific information on the requirements to export to the U.S.

Information Gaps

A palpable gap exists with respect to key information on how to access the U.S. market. This includes information about the very existence of CBI, in some countries, how to use the program, and notably product-specific information on entering the U.S. market.

The USITC report notes that the average utilization rate of CBI preferential tariffs was 70.0% in 2020.⁴⁶ “Utilization rate” refers to the degree to which products eligible for CBI claim the benefit upon entering the U.S. market. In effect then, regionwide CBI tariff preferences are not claimed for 30.0% of eligible products.⁴⁷ Moreover, the report indicates, actual utilization rates vary significantly across countries.⁴⁸ Between 2016 and 2020, the largest user of CBI preferences has been Haiti (not covered in this paper), whose utilization rates have exceeded 90%.⁴⁹ Over that same period, the utilization rates for Barbados, Grenada, and Jamaica grew to also exceed 90% in 2020.⁵⁰ Utilization rates for other countries have fluctuated over that period. In 2020, Antigua & Barbuda and Saint Vincent & the Grenadines had the lowest utilization rates, standing at 7.7% and zero%, respectively.⁵¹

⁴⁵ The JMEA noted the need to protect the “Jamaica brand” as the small size of shipments prove unable to meet existing demand, leading to “knock-offs” that dilute the brand.

⁴⁶ USITC Report, 67

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid.

⁵⁰ Ibid. Ten countries also eligible for GSP, other trade preference program. However not likely to account for gap as CBERA is more favorable, GSP is expired and does so periodically. Caribbean Basin suppliers generally have preferred to enter such dual-eligible goods under CBERA (USITC Report, 36). See also USITC, Caribbean Basin Economic Recovery Act: Impact on U.S. Industries and Consumers, Thirteenth Report, 1997, and Andean Trade Preference Act: Impact on U.S. Industries and Consumers, Fifth Report, 1997, September 1998, 22–23.

⁵¹ USITC Report, 68, Table 3.1 “CBERA utilization rates, by country, 2016–20”. AmCham Jamaica noted that members opt not to use CBERA and have found less complicated or cumbersome routes. The USTR Report also notes that a handful of products enter using other preferential

In a written submission to the USITC for its report, the Bahamas Embassy identified the need for greater public education and awareness about CBI benefits to increase utilization.⁵² Conversations with BSOs also highlighted the time-consuming challenge of chasing down the needed information. What are the requirements to get a specific product into the U.S.? How do you even find out that information? Where does one obtain a certificate of origin? What are the requirements to do so? Some of this information should be available locally and some require accessing U.S. resources.

AmCham Jamaica highlighted the lack of clarity by the agency issuing certificates of origin for CBI about the requirements. The Trinidad & Tobago Chamber of Industry & Commerce (TT Chamber) reported that recently a member was interested in exporting a CBERA-eligible product and obtaining the information about how to get a certificate of origin required a significant amount of time and effort. It was noted that these are failings of the national agencies in charge of these processes.

An exporter should not have to learn about SPS requirements when its products arrive in the U.S., stressed AmCham Jamaica. The JMEA noted that it can take up to months to obtain the information. First one has to figure out who to get in touch with, and then the feedback may not be as prompt as needed. One wonders how many exporters get deterred as a result.

Summary & Priority Recommendations to Address Barriers on Goods Trade

Discussions with the BSOs that chose to participate highlight the complexities of the U.S. market, supply-side constraints, and market barriers and challenges that would deter all but the most intrepid. They draw attention away from the few successful large exporters to the small and micro companies whose small shipments, though low in value, create a livelihood for many. These exporters are primarily driven by their understanding of the nostalgia for products from “home” that exists in the large and growing diaspora community and make it their primary target.⁵³ Companies know the

rates. The author assumes these are the use of MFN rates when applicable, but at a cost of higher duty rates, or duty-free GSP benefits whenever the program has been operational.

⁵² USITC Report, 69. Coincidentally or not, the three countries showing increased utilization rates are where the author conducted public workshops in 2014 as a U.S. Department of State speaker. The Barbados utilization rate in 2016 was the lowest at 38.2 percent.

⁵³ CEO of the Trinidad & Tobago Manufacturers Association (TTMA) took a different position and spoke of the need for SMEs to move away export “using suitcase operations” to send products to

products that are in demand in that community. Their size, capacity constraints, and lack of finance options limit their ability to scale and to grow. Along with the erosion of tariff preferences that narrow the pool of products that can profitably be exported, these factors help to explain why CBI benefits are underutilized. The most consistently identified constraint, however, was the information gap.

Implementation of two key activities to address the information gap is our priority recommendation on support to expand goods exports into the U.S.:

- 1. Ongoing delivery of seminars and webinars to increase private sector awareness of CBERA benefits and how to use them effectively; and**
- 2. Creation of a mechanism to facilitate ready access to product-specific entry requirements.**

An information portal or website containing information specific to the needs of importers from the Caribbean could be modeled on the www.export.gov site, for example. Product-specific information could be compiled, beginning with products having high demand in the U.S. diaspora market. Later in the paper, we discuss how the U.S.-CARICOM TIC process can play a role in implementation.⁵⁴

Services Trade with the United States

The dominance of services in Caribbean economies, particularly those with strong tourism sectors, is widely recognized. However, the dearth of data complicates analysis, and therefore prescriptions. Data is most readily available on the tourism sector. On average, tourism's direct contribution to GDP across the Caribbean was 11.8% in 2019 and its overall contribution was 28.5%.⁵⁵ Across countries, this dependence varies widely.⁵⁶ Tourism also accounts for 1 in 6 jobs, the majority held by women.⁵⁷ What countries constitute the "region" varies from one report to the next.

the diaspora and instead to look beyond New York and Miami and find ways to penetrate the U.S. market in non-traditional areas.

⁵⁴ Though compelling, the paper does not attempt to directly address the supply-side and finance constraints.

⁵⁵ Economic Commission for Latin America & the Caribbean (ECLAC), [Economic Survey of the Caribbean 2020: Facing the Challenge of COVID-19](#), 2021, p. 28. Countries covered in this report are all CARICOM member states and Anguilla.

⁵⁶ Ibid. In 2019, direct contribution ranged from 1.1% of GDP (total contribution 2.6%) in Suriname, to 30.4% (total contribution 73.6%) in Aruba. Ibid.

⁵⁷ Ibid.

A Caribbean Export Development Agency 2022 brief on the services sector states that in 2020 the sector generated 60.36% to the GDP of countries in Latin America and the Caribbean.⁵⁸

Within the region, tourism and financial services predominate, with telecommunications and the creative industries on the rise.⁵⁹ The term “creative industries” incorporates a wide range of such creative activities as design, publishing, architecture, music, film, video, performing arts, crafts, visual arts, fashion, television and radio, advertising, and computer gaming.⁶⁰ Some of these activities, e.g. marketing and television, are offshoots of the larger tourism and financial sectors.⁶¹

Strong education systems across the region have produced a vibrant professional services sector. In the context of trade, in 1991 the WTO identified the category, “Professional Services” incorporating ten (10) specific sub-categories and an 11th “other” sub-category.⁶² Today, these sub-categories seem limited and “professional services” incorporates a rapidly growing group of service providers.⁶³ Caribbean Export has produced market studies for the export of services ICT, health and wellness, education, business development, construction-related, and production in the entertainment industry.⁶⁴ These reports explore global opportunities in these seven (7) sub-sectors, suggesting that they represent areas of potential for export from the region.

Although not typically considered in the context of trade, the outflow of the region’s highly trained nurses and teachers to the U.S. (as well as to Canada and the U.K) make the health and education sectors potentially valuable if the right policies are brought to bear. In one 2009 estimate, the number of English-speaking CARICOM-trained nurses working abroad was roughly three times the number working in English-speaking CARICOM countries.⁶⁵ Policy changes, for example where the recruiting governments

⁵⁸ Caribbean Export Development Agency, “Sector Brief: Services,” added February 2022, available at <https://www.carib-export.com/downloads/download-info/services-sector-brief/>.

⁵⁹ Ibid. World Bank, Caribbean Economic Overview 2000, p. vi.

⁶⁰ Caribbean Export Development Agency, Sector Brief: Services.

⁶¹ Ibid.

⁶² The ten categories are legal, accounting, auditing and book-keeping; taxation; architectural; engineering; integrated engineering; urban planning and landscape architectural services; medical and dental; veterinary; and midwifery, nursing, physiotherapists and para-medical services. WTO, Services Sectoral Classification List, MTN.GNS/W/120, 10 July 1991.

⁶³ Kathy-Ann Brown, Services Regulation in the Caribbean: Professional Services,” Inter-American Development Bank Technical Note, No. IDB-TN-570, p. 1.

⁶⁴ <https://www.carib-export.com/success-stories/professional-services/>

⁶⁵ World Bank, Report No. 48988-LAC, June 2009, p. 1, available at <https://openknowledge.worldbank.org/handle/10986/3160> <last accessed July 31, 2022>.

helped to bear training costs, could help to turn this export of the region’s nurses and teachers into a benefit for the region.

Two countries, Barbados and Trinidad & Tobago, have conducted surveys of their service sectors, albeit with very different methodologies and intended outcomes.

Overview of Barbados Professional Service Sector

Funded by the European Commission, the Barbados Coalition of Service Industries (BCSI) undertook a 2013 study of the country’s professional services sector.⁶⁶ The study had three components:

1. An assessment of the current capabilities of the professional services sector;
2. Identification and analysis of the global competition and unmet market needs; and
3. Analysis of the domestic sector’s capabilities to determine ability to meet those needs and what needed to be strengthened to effectively compete.⁶⁷

In addition to desk research to identify global trends and potential priorities globally, the researchers interviewed seventeen BCSI members and conducted five sectoral focus groups.⁶⁸ The following picture emerges of the professional services sector in Barbados in 2013.

Sub-sector	Current State	Growth & Export Potential
Creative & design industries	While some providers have a good product, there needs to be an increased focus on registering their companies, protecting their intellectual property, and developing good business practices. Institutionally, the sector	During the economic crisis, the creative industry emerged as a key growth area, with an annual growth rate of over 8% outperforming most other sectors. However, Barbados still imports more than it

⁶⁶ Barbados Coalition of Service Industries, “Study of the Professional Services Sector in Barbados, October 2013.”

⁶⁷ Ibid, p. 4.

⁶⁸ Ibid, p. 20.

Sub-sector	Current State	Growth & Export Potential
	is scattered, weak and in need of a legislative and infrastructural framework.	exports. Its strength lies in the provision of live performances, tours and concerts.
Health & wellness	Certification and accreditation of schools offering courses in wellness is needed. Smaller providers do not always follow best practices.	No comments
Construction	Services offered in Barbados are inadequate.	No comments
Medical	There is a glut of practitioners and shortage of more specialized skills. The sector needs to increase innovation and entrepreneurial skills.	There is an excess of health professionals who can be channeled into the Health & Wellness industries. There are long waiting lines for certain types of operations which Barbados professionals have the capacity to perform. Constraints are the labor costs, absence of state of the art facilities and equipment and lack of capital.
Legal	There is a glut of practitioners and more diversification and specialization is needed.	No comments
Tourism	The capacity exists to grow in the off-season by encouraging “staycations”.	Diversify into medical or faith-based tourism. In health & wellness offer packages aimed at recovery from depression that not only includes sand, sea and sun but also wellness aspects such as

Sub-sector	Current State	Growth & Export Potential
		reflexology and counseling.
Energy	There is capacity for domestic growth in the offshore petroleum sector. In the renewable energy sector there is a need for installers, energy auditors, consultancies, but the capacity needs to be built. ⁶⁹	There is a need to build more capacity in renewable energy.
Agriculture & bio-technology	The capacity for domestic growth can occur in developing, marketing and promoting local products e.g. muffin mixes using cassava flour.	The knowledge base to exploit bio-technology does not exist.
ICT		Start-up costs are low.
Education	Ranked 12 th out of 122 countries on the education pillar of the World Economic Forum's "Human Competitiveness Report".	Offers a prime location to offer English as course of study, a market that was expected to grow by 25% annually between 2012-2017, with the largest component being students who study English from their own countries.

Compiled from "Study of the Professional Services Sector in Barbados," pp. 22 to 38.

Geographic proximity to the U.S. was seen as an advantage.⁷⁰ So was the country's stable political environment, its educated population and strong transportation lines. Common constraints and challenges were nevertheless identified across the sub-sectors. First and foremost, the associations admitted that the international markets

⁶⁹ This capacity exists in Trinidad & Tobago. See discussion of energy services sector in that country in the following section.

⁷⁰ Ibid., p. 32. Proximity to North America and to Latin America provided opportunities.

were not high priority markets for their members.⁷¹ Shared impediments which needed to be addressed in order to attain global competitiveness included:

- Reduced dependence on the government and leadership of this effort by the private sector;
- Absence of local partnerships and alliances between Barbadian service providers and international companies;
- Inadequate organization and lack of partnerships among association members which inhibit their capacity to successfully compete for and deliver on global projects;
- Need for radical improvements in the level of customer service in hotels and support areas such as tour services, restaurants, supermarkets, and banks;
- High wages, utilities, and imports as inputs which drive up prices and reduce competitiveness; and
- Inadequate attention to and high costs of implementing and maintaining international standards.⁷²

The issue of international standards received a lot of attention. Participants noted the absence of any international standards in some sub-sectors, such as ICT and the creative industries, and the lag time in others between current international standards and those being used in Barbados. There was no regulatory requirement for association members to adhere to globally accepted practices, neither was there any monitoring to ensure that members at least adhered to a minimum standard. In most cases the minimum standard used by the service sectors were those required to register as a practitioner in Barbados, and in many cases, the registration minimum was not necessarily aligned to a global standard. Persons within the construction sector who are registered with international organizations are forced to pursue continuing education opportunities outside of Barbados to consistently meet international standards.⁷³

⁷¹ Ibid., p. 21. The onset of the economic crisis was causing more local professionals to begin exploring the idea of using international markets to sustain their businesses.

⁷² Ibid., pp. 25 -26.

⁷³ Ibid., pp. 20 – 21.

Overview of Trinidad & Tobago Service Sector

The Trinidad & Tobago Coalition of Services Industries (TTCSI) in April 2019 commissioned a “National Services Exporters Report”. Conducted by the Arthur Lok Jack Global School of Business, the primary research comprised a survey sent to registered firms operating within the business and professional, creative, energy, education, information and communication technology, and tourism sectors. Key stakeholders and gatekeepers were also interviewed.⁷⁴ Of the respondents, 56.5% were exporters. The report was the first phase in creating the National Services Exporters Registry of Trinidad and Tobago and highlights the current state of exporters in Trinidad & Tobago’s service sector and their challenges.

Despite being a major oil and gas producer and exporter, Trinidad & Tobago’s services sector represented more than 60% of GDP and over 65% of total employment for the covered period, 2017-2018. The highest overall contributors to GDP during this period were the Energy and ICT service sectors which also generated the highest levels of export revenue. The ICT and Fashion services reported the highest level of exports as a percentage of their total sales.⁷⁵ Overall, the top export markets were the U.S. and other CARICOM countries, such as Barbados, Guyana, and Jamaica. The primary service delivery modes were identified as cross-border consumption⁷⁶ (Mode 1 approximating 44.3%) and travel of natural persons to deliver the procured services (Mode 4 approximating 18.6%).⁷⁷ This break-down would be quite different in tourism-dependent economies where the consumption abroad delivery mode would be expected to dominate.

Energy Service Exporters

It is worth examining the data on energy services exports, given the existing and potential synergies with the commodities export sector, which likely explains the high

⁷⁴ TTCSI, “National Services Exporters Report,” June 2020. The methodology is detailed on page 6 of the report.

⁷⁵ TTCSI Report, p. 6

⁷⁶ Cross-border consumption requires no travel by either the service provider or the client and services are delivered by electronic means.

⁷⁷ TTCSI Report, p. 10

revenue share. Service providers in the energy sector exported the following economic activities:

- Support activities for petroleum and natural gas extraction
- Design, fabricating and troubleshooting services
- Industrial construction and maintenance services
- Inspection services
- Mechanical services
- Provision of water treatment for industries in cooling and boiler water systems
- Other services⁷⁸

For 60% of the exporters, however, less than 10% of their revenue was derived from exports.⁷⁹ The top four markets were Barbados, Saint Lucia, Suriname, and the United States, all enjoying a 20% market share. Ghana and Guyana each had 10% market share.⁸⁰

With respect to service delivery modes, differing from the general picture over 44% of the respondents in the energy service sector traveled in order to deliver the procured services (Mode 4). Consumption abroad was 33% and cross-border consumption was 22%.⁸¹ These results are not surprising as one would expect that service exporters would often be working on-site.

ICT Service Exporters

ICT service providers were overall high revenue generators. A significant proportion (33%) of respondents also indicated that foreign markets contributed 21% to 50% of their revenue. For 39% of the respondents, that figure was less than 10% of their revenue.⁸²

The ICT service providers exported the following economic activities:

- Information service activities (e.g. data processing, web portals, news agency activities)

⁷⁸ TTCSI Report, p. 29. No breakdown of revenue by these activities is included in the report.

⁷⁹ TTCSI Report, p. 26

⁸⁰ TTCSI Report, p. 29

⁸¹ TTCSI Report, p. 28

⁸² TTCSI Report, 22.

- Computer programming, consultancy, and related activities
- Publishing activities
- Motion picture, video and television programme production, sound recording and music publishing activities
- Telecommunications⁸³

With respect to delivery modes, cross-border supply dominated at 76%. Only 12% of providers traveled in order to deliver the procured services.⁸⁴ The survey results further indicated that Jamaica and the U.S. were their main export markets, both at 24% of market share. Barbados, at 12%, was second. Other markets identified for that period were Belize, Bermuda, Canada, Guyana, Martinique, Puerto Rico, and the United Kingdom all at around 6% of market share.⁸⁵ One would, however, expect this market to be more fluid than the energy sector.

Barriers and Challenges

The respondents presented as relatively mature firms. Approximately 55% of the sample had been in operation for more than 20 years and fewer than nine % for less than five years.⁸⁶ More than 40% had been exporting for over ten years while about 23% had been exporting for less than five year.⁸⁷ The main barriers mentioned by exporters were market access, foreign competition, access to finance, and lack of market intelligence.⁸⁸

Of the non-exporters, the data indicated that 54% of the sample had an interest in exporting but were hindered by a lack of awareness on how to use foreign trade agreements. The second major hindrance was regulatory barriers followed by a lack of knowledge on where to start. Other challenges to exporting entailed finding trading partners.⁸⁹ In general, they expressed a lack of knowledge on how to export. For the services sector then, taking steps to address the information gaps is also a major recommendation.

⁸³ Ibid. No breakdown of revenue by these activities is included in the report.

⁸⁴ TTCSI Report, 24.

⁸⁵ Ibid.

⁸⁶ Ibid., 7.

⁸⁷ Ibid., 23.

⁸⁸ Ibid., 13.

⁸⁹ Ibid., 16.

The report's conclusion by TTCSI CEO, Ms. Vashti Guyadeen, provides several recommendations aimed at addressing the limitations experienced by services providers and supporting their ability to take advantage of new export opportunities. They include market penetration initiatives such as building out market intelligence research; awareness campaigns and promotions; trade missions; creation of a network of local service firms as a 'local services hub' to act as a local advisor on international markets, organize trade workshops and provide in-depth market reports, facilitate the exchange of experiences and knowledge of international market and the use of joint marketing efforts to reduce costs; and capacity training and business incubator programs for beginners and market readiness accelerator programs for mature exporters.⁹⁰

While the report makes no mention of professional certification requirements as a barrier, this challenge was discussed in the conversation with Ms. Guyadeen. She highlighted the experience of makeup artists, who have the opportunity to travel to the U.S. to serve their clients, both local and U.S.-based performers, but are unable to do so because they are not certified. Professional certifications in the U.S. are state based. Our review of the requirements for make-up artists on the website on occupational licensing requirements maintained by the Institute for Justice⁹¹ revealed the following:

- 41 states require a license to practice makeup artistry.⁹²
- Fees for aspiring makeup artists average US\$169.00 per state.
- On average, aspiring makeup artists must complete 134 days of training and pass two exams
- Requirements to become a licensed makeup artist in the U.S. are the 58th most burdensome of the 102 occupations studied by the Institute.
- Makeup artistry is ranked on the site as the 28th most widely and onerously licensed profession in the U.S.

⁹⁰ Ibid., 30-31.

⁹¹ The Institute for Justice is a nonprofit, public interest law firm which operates and maintains the website <https://occupationallicensing.com/> to highlight the "arbitrary and excessive requirements for licensure" which "too often have no connection at all to public health or safety" and instead "are imposed simply to protect established businesses from economic competition".

⁹² Of the five states targeted by TTCSI, Maryland is the only state that does not require a license. <https://ij.org/report/license-to-work-2/report/appendix-b-explanation-of-specific-occupations/>, see Table B3 <accessed June 20, 2022>.

TTCSI has been encouraging those service providers able to do so to obtain certification. They recommend a focus on the five states where the Caribbean diaspora is concentrated. Presumably, the assumption is that most engagements in the U.S. will occur in those states – California, Florida, Maryland, New Jersey, and New York. This approach nevertheless excludes the other 45 U.S. states, even as the popularity of Caribbean culture continues to explode. The above example is just one illustration of the impact of restrictive licensing requirements that impede this growth. Addressing these challenges will require discussions and negotiations with relevant authorities in targeted states around mutual recognition of qualifications.

Overview of Belize Services Sector

A discussion paper prepared by the Belize Coalition of Service Providers reviews Belize’s services sector by exploring the four delivery modes for trade in services and various activities in which Belizeans could engage under each mode.⁹³ Some common themes with the services sectors in Barbados and Trinidad & Tobago emerge:

- Professional – architecture and engineering consulting
- Financial services
- Communications / IT / ITC
- Tourism and tourism-related activities
- Education and training
- Health & wellness
- Cultural industries

The paper does not explore challenges or constraints the sector faces.

⁹³ Belize Coalition of Service Providers, Discussion Paper, “A Review of Belize’s Service Sector,” March 2013, available at <https://www.bcsp.org.bz/download/A-Review-of-Belize.pdf> <last visited July 31, 2022>.

Summary & Priority Recommendations to Address Barriers in Services Trade

The services sectors provide exciting opportunities to diversify and to grow Caribbean economies through export. This initial examination of the services sectors in Barbados, Belize, and Trinidad & Tobago suggests that, once one excludes the mature tourist sector, as represented in the large international hotel chains, there may be a degree of similarity and synergy across CARICOM member states with regards to those sub-sectors that present the best opportunities for growth, as well as the priority challenges to be addressed.

- 1. Improving data collection on the services sector is a priority. Data is needed to show the important role of the sectors in contributing to GDP and to support the development of growth solutions for the domestic and export markets. TTCSI has indicated that it is willing to act as a resource for other CSIs in the region, sharing its experience in building up its trade in services data.**
- 2. The Barbados report highlighted a gap between local and international standards, which may have been erased or diminished; however, the role of associations in establishing and enforcing minimum requirements which meet or approximate international standards merits ongoing attention.**
- 3. Finding solutions to provide for portability of professional qualifications is another priority. Notwithstanding that the requirements are state-imposed, the U.S.-CARICOM TIC could be used to convene the relevant players.**

Foreign Direct Investment

Given the small size of the CARICOM economies, Foreign Direct Investment (FDI) plays a significant role in complementing domestic investment as a source of capital, including for any expansion of export activities. However, even before the COVID pandemic, FDI inflows into the region were on the decline. Between 2016 and 2021, FDI inflows into member States in the Caribbean Community (CARICOM) fell by 22

percent.⁹⁴ Within the Caribbean, the Dominican Republic is the largest recipient of FDI, accounting for most if not all of the region's post-pandemic rebound in 2022.⁹⁵

Neither the USITC nor USTR Reports make any mention of U.S. inflows of FDI into the region. The Private Sector Organisation of Jamaica (PSOJ) is used as a resource for investors seeking to enter Jamaica. PSOJ's CEO saw as telling that while she has met with High Commissioners and Ambassadors from a variety of countries, there has been no request from the U.S. Ambassador for a courtesy call or visit.⁹⁶

Meanwhile, BSOs shared the desire of their members to partner with investors in building out solutions for the region. These include:

Renewable Energy: Trinidad & Tobago has the technical resources, equipment, knowledge, and skilled people in such areas as installation of solar plants and gas import infrastructure, geothermal drilling, and pushing green hydrogen. An exciting potential exists for deep engagement with U.S. capacity and capital to pursue projects around the region aimed at restructuring countries away from reliance on imported fossil fuel and diesel towards the use of indigenous sources of energy, such as solar, geothermal, gas, green hydrogen, and biomethanol.⁹⁷

Nearshoring: The U.S. is very concerned about creating a safe supply chain for renewable energy that does not rely on solar panels and batteries coming from China; Guyana and Suriname may have the silica needed.⁹⁸ Trinidad & Tobago also suggested a focus on logistics and IT-enabled services moving up the value chain from call centers to robotic processing or programming.⁹⁹ These sectors all provide opportunities for partnerships between local firms and U.S. capital and know-how.

Growing Guyana's non-oil sector: An important strategy to avoid the "dutch disease" of Guyana's oil wealth is to grow its non-oil sector using the country's rich resources to do agro-processing, forestry, and construction, for example. Guyana has the land to

⁹⁴ UNCTAD World Investment Report, 2022, Highlights of Regional Trends for Latin America and the Caribbean, available at https://unctad.org/system/files/non-official-document/WIR2022-Regional_trends_LAC_en.pdf <accessed June 20, 2022>.

⁹⁵ Ibid.

⁹⁶ Conversation with PSOJ.

⁹⁷ Conversation with Energy Chamber of Trinidad & Tobago (hereinafter "TT Energy Chamber").

⁹⁸ Ibid.

⁹⁹ Conversation with the American Chamber of Commerce of Trinidad & Tobago (hereinafter "AmCham TT").

grow enough food to address the region’s food security needs. Noting the lack of interest by U.S. companies in anything not oil-related, the GMSA pointed to the opportunities in infrastructure projects in Guyana and around the region.¹⁰⁰

Other areas of opportunity identified include helping with the digital transformation of economies, non-traditional lending, life sciences, robotics, transportation, and food security.¹⁰¹

Challenges

While English-speaking CARICOM countries are stable democracies, the need to advocate for a more conducive environment to get more companies investing and more local companies exporting was acknowledged.¹⁰² Crime reduction and increased transparency particularly in procurement processes top the list. De-risking of the countries’ banking systems also makes many normal financial transactions a painstaking exercise.¹⁰³

Here as well, the BSOs also identified an information gap that complicates their ability to identify potential partners and investors. The U.S. is so huge you do not know which office to go through or whom to call to express an interest in collaboration or partnering, said the GMSA. “Is it the US Chamber of Commerce?”¹⁰⁴ Typically embassies, consulates, or commercial offices play that role, in conjunction with the country’s investment promotion arm. The TT Chamber noted that while in the past it had enjoyed good relationship with overseas missions the situation has changed as new Ambassadors bring changed personal objectives and priorities. The Barbados Manufacturer’s Association (“BMA”) however stated that the Ambassador and diplomatic missions within the U.S. are resources for market research and serve as their gateway into the U.S. market.¹⁰⁵ Information sharing and conversations with the BSOs

¹⁰⁰ Conversation with GMSA.

¹⁰¹ Conversations with TTMA and BMA.

¹⁰² Conversation with AmCham TT.

¹⁰³ Bruce Zagaris, “After 40 Years the Caribbean Basin Initiative Needs a Boost,” *taxnotes*, July 25, 2022, available at <https://www.taxnotes.com/tax-notes-international/tax-preference-items-and-incentives/after-40-years-caribbean-basin-initiative-needs-boost/2022/07/25/7dlqv#7dlqv-000008>. The article discusses the ways in which the CBI’s tax and investment incentives have been diluted over time and recommends that the U.S. stop the “de-risking” of the region’s banks in order to facilitate economic recovery.

¹⁰⁴ Conversation with GMSA.

¹⁰⁵ Conversation with BMA.

during visits home are activities that could strengthen the relationship between the region's missions and BSOs, furthering the goal of attracting investors.¹⁰⁶

Many U.S. states also pursue international trade and foreign investment activities through their Departments of Commerce or a relevant agency. GMSA highlighted, for example, the experience of its members and of several companies across CARICOM with Enterprise Florida which engages almost on a business-to-business level, removing rather than adding to the red-tape.¹⁰⁷ These state-level interactions may provide a more accessible forum in which to build relationships and explore opportunities.

Summary & Priority Recommendations for Private Sector Engagement on FDI

Discussions with the region's private sector reveal an inward focus on the challenges it faces and opportunities they present. Notwithstanding the demanding operating environment, the region can be attractive to investors.¹⁰⁸ The May 19, 2022, Agri-Investment Forum and Expo organized by Guyana and the CARICOM Secretariat to galvanize investment in regional agriculture focused on discussions by Heads of Government with donor agencies and investors and included one day devoted to business-to-business engagements.¹⁰⁹ This event presages our priority recommendations, this time directed at the private sector.

The discussions revealed a desire to find partnerships and investors with which interested companies could work in building out solutions for the region. These recommendations stress the value to interested companies and entrepreneurs of using available mechanisms to explore business-to-business engagements.

1. Become active and engaged in the Americas Business Dialogue (ABD)¹¹⁰ to which many BSOs already belong; and

¹⁰⁶ Conversation with TT Chamber.

¹⁰⁷ Conversation with GMSA. Enterprise Florida is a public-private partnership which serves as the state's primary entity for trade and export development. See <https://www.enterpriseflorida.com/> <last visited July 31, 2022>.

¹⁰⁸ PSOJ reports strong interest by investors in Jamaica.

¹⁰⁹ Inaugural CARICOM Agri Investment Forum and Expo Opens 19 May, CARICOM Today, available at <https://today.caricom.org/2022/05/18/inaugural-caricom-agri-investment-forum-and-expo-opens-19-may/> <accessed June 20, 2022>.

¹¹⁰ The Americas Business Dialogue's membership comprises over 400 companies and BSO. It is the private sector consulting mechanism for Summit of the Americas. See <https://americasbd.org/en/background.html> <accessed June 20, 2022>.

- 2. Use the ABD network to organize business-to-business engagements to explore shared interests that could lead to partnerships and collaboration.**

We examine the ABD more closely in the next section. It is not, however, the only available mechanism. With or without external funding, the BSOs can pool resources and efforts to organize their own events. This effort should include the American Chambers of Commerce (AmChams) where they exist – Barbados, Guyana, Jamaica, and Trinidad & Tobago. “AmChams’ entire purpose is to explore current and potential partnerships between the U.S. and Jamaica and other Caribbean countries,” said AmCham Jamaica. There may also be opportunities to build relationships within departments of commerce of U.S. states, notably Enterprise Florida.

SECTION II: MECHANISMS FOR PRIVATE SECTOR ENGAGEMENT IN U.S.-CARICOM DISCUSSIONS

Given the complexity of the United States, the important but small role of the Caribbean in U.S. interests, and the region’s limited capacity, the use of existing mechanisms for engaging with the U.S. is advisable. We examine the Summit of the Americas and the TIFA processes as mechanisms through which the priority recommendations in this Paper can be implemented.

Summits of the Americas

The Summits of the Americas are institutionalized gatherings of the heads of state and governments of the Western Hemisphere held every three years for leaders to discuss common policy issues, affirm shared values and commit to concerted actions at the national and regional level to address continuing and new challenges faced in the

Americas.¹¹¹ Launched by President Clinton in 1994, over time several mechanisms have emerged towards the goal of making the Summits more than just a “talk shop”.¹¹²

Most relevant to our discussion are the openings created for Civil Society Dialogues that allow social actors to develop recommendations for the Summit.¹¹³ The private sector, also plays an important role in this process. Four separate sessions of 75 minutes each titled “*LEADERS’ ROUNDTABLES WITH CIVIL SOCIETY, PRIVATE SECTOR, AND YOUTH REPRESENTATIVES*” WERE SCHEDULED DURING THE 2022 SUMMIT. Civil society involvement may continue after the Summit through monitoring, advocacy, and supporting implementation, where relevant.

The Americas Business Dialogue and the CEO Summit of the Americas

An event, “*Road to the IX Summit*,” organized by Council of the Americas, convened panelists experienced with the Summit process who were asked – are multilateral Summits a waste of time for the private sector and how could they make the most of such events? In his response, Ambassador Hugo De Zela from Peru identified three components for a successful Summit. 1) Submission of specific proposals by the private sector (and civil society) to enable the Heads of Government/State to make concrete decisions. 2) Follow-up to remind the leaders of the need for action on decisions taken at the Summit. 3) Commitment to focus on one or two issues only.¹¹⁴

The Americas Business Dialogue (ABD) acts as the private-sector consultation mechanism for the Summit of the Americas, serving as the vehicle through which the

¹¹¹ Website of the Summit of the Americas Secretariat manned by the Organisation of American States (OAS) - http://www.summit-americas.org/default_en.htm <accessed June 20, 2022>.

¹¹² Adoption of a single theme, the result of pre-Summit negotiations, provides focus to discussions. The [Organization of American States](#) (OAS) serves as technical secretariat, providing the institutional memory and supporting the work of the other bodies. The [Summit Implementation Review Group \(SIRG\)](#) is the “core management body of the Summits Process,” and is comprised of appointed National Coordinators from each country. A [Joint Summit Working Group](#) (JSWG) coordinates the support of thirteen regional and international multilateral organizations, providing technical guidance to countries in identifying the issues to be addressed in the Summits process and to the SIRG. The JSWG is chaired by the Secretariat and also plays an important role in implementation of Summit outcomes. See Website of the Summit of the Americas Secretariat available at http://www.summit-americas.org/default_en.htm

¹¹³ See for example, Civil Society Dialogues moderated by the JSWG in 2021 -- <http://www.summit-americas.org/dialoguesirg2021.html>

¹¹⁴ The video discussion can be viewed at <https://youtu.be/rt-eowd4LTA> <accessed June 20, 2022>; the specific exchange begins 44 minutes into the video.

private sector provides input into the Summit process.¹¹⁵ ABD works through nine working groups to arrive at a consensus around its Policy Recommendations to the Summit.¹¹⁶ Prior to the Summit, the recommendations are shared with governments through private sector consultation dialogues. Technical specialists at the IDB also provide the relevant feedback. The recommendations are delivered at the CEO Summit of the Americas, held in advance of the meeting of government leaders, with the goal of providing input and encouraging public-private collaboration and partnerships. Post-Summit, ABD works to develop initiatives to disseminate the recommendations and continue dialogue with governments to support their implementation.¹¹⁷ While participation at the CEO Summit is by invitation only, membership in the ABD is open to any company or BSO that wishes to join.

ABD’s membership comprises over 400 business support organizations (BSOs) and companies from all countries in the Americas. Though private sector-led, its work is facilitated by the Inter-American Development Bank (IDB) which provides secretariat services and facilitates the dialogue between the ABD members and the governments.

As the following table shows, BSOs from CARICOM countries are already well-represented as ABD members. The table lists the BSOs but may not be conclusive with respect to member companies.

Table: Caribbean Membership in the Americas Business Dialogue

Business Support Organizations	Private Companies & Others
The Bahamas Chamber of Commerce and Employers Confederation (BCCEC)	Caribbean LED Lighting (Barbados)
Barbados Chamber of Commerce and Industry	Portland Private Equity (Jamaica)
Barbados Private Sector Association (BPSA)	Jamaica Public Service Company

¹¹⁵ Americas Business Dialogue Policy Recommendations to the Ninth Summit of the Americas, <https://americasbd.org/en/2022recommendations.html> <accessed June 20, 2022>. It also provides input into other high-level regional events such as the Energy and Climate Partnership of the Americas.

¹¹⁶ The 2022 Policy Recommendations focused on such topics as fostering intra-regional trade, digital economy, financial inclusion, clean energy transition, strengthening health care ecosystems, and innovation. *Recommendations on digital transformation to support SMEs and rural development and investment in quality infrastructure could be of particular interest to the Caribbean.*

¹¹⁷ An [IDB platform](#) is aimed at helping the ABD to monitor implementation of commitments made at the Summit.

Business Support Organizations	Private Companies & Others
Belize Chamber of Commerce and Industry	Caribbean Export Development Agency
British Virgin Islands Chamber of Commerce and Hotel Association	
Grenada Chamber of Commerce and Industry	
Dominica Association of Industry and Commerce (DAIC)	
Jamaica Chamber of Commerce (JCC)	
The Private Sector Organisation of Jamaica (PSOJ)	
Network of Caribbean Chambers of Commerce (CARICHAM)	
Saint Kitts and Nevis Chamber of Industry and Commerce	
Saint Lucia Chamber of Commerce, Industry and Agriculture	
Suriname Trade and Industry Association	
Energy Chamber of Trinidad & Tobago	
Trinidad & Tobago Chamber of Industry and Commerce	
Trinidad & Tobago Manufacturers Association (TTMA)	
Association of American Chambers of Commerce in Latin America and the Caribbean (AACLA) – AMCHAMS of Barbados, Jamaica, Trinidad & Tobago are full members; Guyana has associate membership	

(Extracted from 2022 Policy Recommendations Annex Containing List of Members)

Here then, is an existing mechanism which is available for use by the Caribbean private sector. This mechanism appears to be underutilized. The TT energy chamber and the Amcham TT both reported being involved in the summit preparation process. None of the other BSOs interviewed mentioned being members of the ABD and when asked of

plans to participate in the CEO summit had none.¹¹⁸ ABD's value extends beyond engaging around the summit process and other activities.¹¹⁹

First, engagement in the ABD network lends itself to the recommendation on using business-to-business dialogues with BSO and companies in the U.S. and across the Americas and elsewhere to attract FDI and project partners.¹²⁰ the Amchams, energy TT, and other BSOs that may already be active in the network could play a leading role to mentor, facilitate introductions, and propose relevant activities. Secondly, engaging with the U.S. government (USG) extends beyond the white house and congress. The ABD network and the Amchams could also be helpful in improving the understanding of the region's BSOs about USG operations and in helping to identify relevant agencies with which to connect. The very vastness of the USG apparatus can be an asset if one learns how to navigate it. A "no" from one agency could translate into a "yes" from the right agency if approached correctly.¹²¹ finally, as the ABD's secretariat, it can facilitate access and improved understanding of the workings of the IDB and could be a source of funding for events organized by the BSOs and the needed technical assistance to address constraints discussed earlier.

Noting the success of Caribbean leaders in obtaining an unscheduled meeting with president Biden and vice president Harris at the summit, leading to establishment of three joint committees on energy and food security and development/debt finance, the prescription for success is worth bearing in mind - "progress depends on maintaining both unity and resolve."¹²² *a similar prescription applies to the ability of the region's private sector to use any mechanism , including that of the ABD, to achieve its goals.*

¹¹⁸ The PSOJ's CEO was invited but was unable to attend. The invitation could not be transferred.

¹¹⁹ Recent ABD activities have included work on the WTO's Investment Facilitation for Development Agreement, the Energy and Climate Partnership of the Americas, and on nearshoring. See <https://americasbd.org/en/recentactivities.html> <visited June 20, 2022>.

¹²⁰ The complete list of its 400 members can be viewed at <https://americasbd.org/en/members.html> <visited on June 20, 2022>.

¹²¹ This type of networking complements resources that might be accessible through overseas missions.

¹²² Sir Ronald Sanders, "Summit of the Americas was worth attending," Caribbean News, June 16, 2022, available at <https://www.caribbeannewsglobal.com/summit-of-the-americas-was-worth-attending/> <accessed June 20, 2022>.

U.S.-CARICOM Trade & Investment Framework Agreement

U.S. Trade and Investment Framework Agreements (TIFAs) provide the strategic frameworks through which the U.S. manages trade and investment relationships with countries in the absence of a trade agreement. These Agreements serve as the forum for the Parties to discuss issues of mutual interest to their trading relationship with the objective of improving cooperation and enhancing opportunities for trade and investment. Topics for consultation and possible further cooperation include market access issues, labor, the environment, protection and enforcement of intellectual property rights, and where appropriate, capacity building.¹²³ There are currently over fifty (50) TIFAs, including with CARICOM.

The U.S. and TIFA partners consult on such issues as market access, labor, the environment, protection and enforcement of intellectual property rights, and, in appropriate cases, capacity building. Councils created by the TIFAs endeavor to meet at least annually at senior levels of government.¹²⁴

The Parties typically commit to seek the advice of the private sector and civil society, where appropriate, on matters related to the work of the Council. Article 3 of the U.S.-CARICOM TIFA charges the TIC to consult with the private sector, and civil society, as relevant to its work and to facilitate expanded linkages between the Parties' respective private sectors.¹²⁵

The U.S.-CARICOM TIFA therefore contains the framework for engaging with and increasing the Caribbean private sector in Caribbean-US engagements. Yet, most BSOs interviewed for this paper had never heard of the TIFA or TIC. Only one reports having been informed in advance of a TIC meeting.¹²⁶ The following section looks more closely at the TIFA mechanism, including other agreements that have been used more successfully than has the U.S.-CARICOM TIFA. Relying primarily on USTR

¹²³ Trade and Investment Framework Agreements, <https://ustr.gov/trade-agreements/trade-investment-framework-agreements> - <accessed June 20, 2022>. A copy of all TIFAs can be downloaded from this site.

¹²⁴ *Ibid.*

¹²⁵ U.S.-CARICOM TIFA, Article 3, paragraphs (e) and (f).

¹²⁶ One possible exception is the delegation by the St. Kitts & Nevis Chamber which met on the sidelines of the TIC meeting in 2019 with several U.S. companies. Conversation with the Chamber.

reports these other TIFAs show the results that can be achieved when private sector concerns are incorporated into the process.

A Tale of Two TIFAs

The US-Uruguay TIFA

The South American country of Uruguay is the second smallest on the continent in size, after Suriname, with a population of just under 3.5 million (2022 estimate).¹²⁷ The services sector is the main contributor to GDP, followed by industry, with agriculture a distant third.¹²⁸ Uruguay is a member of the Mercosur trade bloc. In 2020, the U.S. was Uruguay's fourth largest supplier of goods, its third largest export destination, and overall Uruguay's fourth largest trading partner. Uruguay's primary exports to the U.S. are beef, beef products, wood, wood panels, and citrus.¹²⁹

The U.S.- Uruguay TIFA signed on January 25, 2007, affirmed the Parties' desire to foster an attractive investment climate in their respective territories and to expand and diversify their bilateral trade in goods and services. Uruguay's Chief of Staff to the President and the United States Trade Representative serve as joint chairs of the TIC.¹³⁰

The first TIC meeting was held later that same year, on April 26, 2007, where a work plan was developed. TIC meetings were held annually until 2014, and after that more or less every other year (with the covid pandemic intervening). The ninth TIC meeting was held on August 6, 2021.

Some concrete achievements of the US-Uruguay TIFA include:¹³¹

- Cooperation by the U.S. and Uruguay Agriculture departments on SPS issues, which advanced the opening of the U.S. market for Uruguayan blueberries in September 2007 and the Uruguayan market for U.S. turkeys in October 2007;

¹²⁷ The World Factbook, Uruguay, available at <https://www.cia.gov/the-world-factbook/countries/uruguay/#economy> <accessed June 20, 2022>.

¹²⁸ Ibid. In 2017 figures were 69.7%, 24.1% and 6.2% , respectively.

¹²⁹ U.S. Department of State, "U.S. Relations with Uruguay," Bilateral Relations Fact Sheet, August 25, 2021, available at <https://www.state.gov/u-s-relations-with-uruguay/> <accessed June 20, 2022>.

¹³⁰ Trade and Investment Framework Agreement Between the United States of America and the Oriental Republic of Uruguay (hereinafter "U.S.-Uruguay TIFA).

¹³¹ (Fact Sheet dated 5/12/2014)

- Ongoing bilateral technical meetings on SPS issues through the bilateral Consultative Committee on Agriculture;
- Protocol on public participation in trade and environment signed in 2008;
- Customs modernization;
- Grant of Uruguayan market access to U.S. poultry and beef and of U.S. market access to Uruguayan citrus and deboned lamb;
- Signed Customs Mutual Assistance Agreement (CMAA) - legal framework to allow for the exchange of information and evidence to assist countries in the prevention, detection, and investigation of customs offenses – including those associated with duty evasion, trafficking, proliferation, money laundering, and terrorism-related activities
- In education and educational exchange – visits to US by Uruguayan policymakers and evaluation specialists working on redesigning Uruguay’s accountability and evaluation systems; and of communications deans to learn how new technologies can enhance curricula, encourage citizen journalism and strengthen civil society; participation in 2013 by 27 universities in an education fair in Uruguay attracting 2000 students interested in studying in the US; increased US funding for Uruguay exchanges under Fulbright program

Whether or not all directly attributable to the TIFA/TIC, Uruguay’s exports to the U.S. have grown. In 2020, the U.S. was the largest buyer of Uruguay’s citrus, purchasing 45 percent of its mandarins and oranges. In 2019, the U.S. bought almost three-quarters of Uruguay’s IT exports.¹³²

Progress under the US-CARICOM TIFA contrasts poorly to the above achievements.

The US-CARICOM TIFA

In May 2013, the U.S. and CARICOM signed a TIFA with the goal of reinvigorating a 1991 TIFA under which no discernible activity had occurred. The 2013 TIFA affirmed the Parties’ desire to “promote the long-term development, expansion and diversification of trade in products and services” and to “promote an attractive

¹³² State Department bilateral fact sheet

investment climate”. It established a new TIC to be chaired jointly by USTR and a nominee of the Chair of CARICOM.¹³³

The first TIC meeting was held on November 15, 2013, in Washington D.C. The USTR Report indicates that the meeting addressed an increased focus on intellectual property protection, the development of e-commerce infrastructure, the removal of barriers to bilateral trade, and the need for continued regulatory collaboration. There was no announcement of a workplan or of any concrete initiatives or outcomes.¹³⁴ The second TIC meeting was held on October 28, 2014, in Nassau, Bahamas. According to the USTR Report, the meeting addressed intellectual property rights protection, the development of electronic commerce infrastructure, the removal of barriers to bilateral trade, and U.S. technical assistance on sanitary and phytosanitary measures for agricultural products. Once again, no concrete initiatives or outcomes were announced.¹³⁵ It is unclear whether a TIC meeting was held in 2016.¹³⁶ The next, and the last, meeting on which the USTR reported was held in June 2019 in Miami, Florida. No agenda, workplan, initiatives, or outcomes was recorded.¹³⁷

It is noteworthy that the latest USTR reports, after mentioning the date of the last TIC meeting, describe the provisions of CBERA and end there.¹³⁸ A program enacted in 1983, and despite subsequent legislative updates and continued importance to its users focused exclusively on goods trade, is an inadequate framework for the region’s trading relationship with the U.S. and indicates a stagnation in the mechanisms driving the relationship. Used effectively, the TIC provides a mechanism that can revitalize and update the relationship.

¹³³ U.S.-CARICOM TIFA.

¹³⁴ USTR, 2014 Trade Policy Agenda & 2013 Annual Report.

¹³⁵ USTR, 2015 Trade Policy Agenda & 2014 Annual Report, 141.

¹³⁶ The 2016 USTR Annual Report does not record a meeting, but its 2018 Report alludes without detail to one having been held in May 2016. USTR, 2019 Trade Policy Agenda & 2018 Annual Report, 24.

¹³⁷ USTR, 2020 Trade Policy Agenda & 2019 Annual Report, 25-26.

¹³⁸ *See for example* USTR, 2021 Trade Policy Agenda & 2020 Annual Report, 23 and 2022 Trade Policy Agenda & 2021 Annual Report, 19.

Lessons From Other TIFAs

Not surprisingly, the U.S. uses TIFAs primarily to pursue its own trade and commercial interests. These interests typically focus on protection and enforcement of the rights of U.S. intellectual property holders, increased market access for U.S. products and services, addressing foreign barriers to the U.S. manufacturers and services suppliers, and workers' rights and protections. At the same time, work within the TIFA mechanism provides opportunities for emerging and developing economies to scope out areas of mutual interest, including around capacity building.

Effective use by the other party therefore requires an equal focus on its own trade and commercial interests with the goal of finding mutually beneficial areas of collaboration. Incorporating the practical issues and concerns of companies that trade with the U.S. provides an effective path towards shaping that agenda.

Pulling from the lessons of the Summit, having a focused agenda is also key. The Annex to the U.S.-Uruguay TIFA containing the Parties' initial Work Program clearly identifies Uruguay's priority – a consultative committee to address SPS issues. The results speak for themselves.

U.S.-ASEAN TIFA

A look at some of the activities implemented under the U.S.-ASEAN TIFA is also illustrative. Without attempting to evaluate their overall impact, what stands out is the concrete nature of the initiatives and integration of the ASEAN private sector.

Like CARICOM, the Association of Southeast Asian Nations (ASEAN) is a regional grouping of countries working on the integration of their economies.¹³⁹ ASEAN countries have a total population of 662 million people and combined GDP of US \$3.2 trillion. The United States is its fourth-largest trading partner in terms of goods. Merchandise trade between the two sides exceeded US \$307 billion in 2020.¹⁴⁰

¹³⁹ The ten ASEAN members are Brunei Darussalam, Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, and Vietnam.

¹⁴⁰ Council on Foreign Relations, "What is ASEAN?" (backgrounder last updated April 11, 2022) available at <https://www.cfr.org/backgrounder/what-asean#chapter-title-0-3>.

- The U.S.-ASEAN TIFA was signed on August 25, 2006.¹⁴¹ The Parties agreed to an initial work plan that incorporated projects on trade facilitation, including assistance with implementation of an ASEAN Single Window for customs clearance.¹⁴² The ASEAN Single Window was launched in 2019. Without knowing the exact role played by U.S. efforts in this achievement, this nevertheless indicates the role TIC meetings can play in identifying mutually beneficial areas for technical assistance and/or funding.
- In May 2010, the U.S. hosted ASEAN Trade Ministers for a U.S.-ASEAN Road Show with stops in Seattle and Washington, D.C., which brought together U.S. Government officials, Members of Congress, ASEAN trade ministers, and U.S. and ASEAN business representatives to identify business opportunities and to discuss ways to expand U.S.-ASEAN economic cooperation and support ASEAN integration.¹⁴³ In April 2013, the U.S. hosted a second Road Show for ASEAN Economic Ministers, which included business promotion activities in Los Angeles, Silicon Valley, and Washington D.C., and opportunities to discuss potential trade and investment initiatives between the U.S. and ASEAN countries, concluding with a meeting in the context of the U.S.-ASEAN TIFA.¹⁴⁴ These events would have exposed potential U.S. investors to opportunities they might not otherwise have been aware of or considered.
- In 2012, the U.S. sponsored the first U.S.-ASEAN Business Summit, attended by more than 200 senior executives from the U.S. and ASEAN members.¹⁴⁵ The event was repeated in August 2014 with a focus on improving the capacity of SMEs to connect to regional and global supply chains.¹⁴⁶ These events are examples of private-sector focused activities under the TIFA.
- In 2018, the U.S. launched cooperation with ASEAN on agriculture biotechnology; proposed new areas of cooperation on electronic payment

¹⁴¹ Trade and Investment Framework Arrangement Between the United States of America and the Association of Southeast Asian Nations.

¹⁴² USTR, 2008 Trade Policy Agenda & 2007 Annual Report, 124.

¹⁴³ USTR, 2011 Trade Policy Agenda & 2010 Annual Report, 142.

¹⁴⁴ USTR, 2014 Trade Policy Agenda & 2013 Annual Report, 150.

¹⁴⁵ USTR, 2013 Trade Policy Agenda & 2012 Annual Report, 153.

¹⁴⁶ USTR, 2015 Trade Policy Agenda & 2014 Annual Report, 151-2.

services and automotive standards; and continued work on establishing common approaches to digital trade, including encouraging of free flow of data and discouraging localization requirements.¹⁴⁷ On August 14, 2021, officials finalized the 2021-2022 Work Plan to facilitate implementation of cooperation initiatives to support the region's post-pandemic economic recovery efforts, including in the areas of digital economy, MSMEs, sustainable development, trade facilitation, and labor and environment.¹⁴⁸ Emergence of new areas of collaboration reflect a dynamic relationship.

U.S.-Ecuador TIFA

Ecuador is a South American country with an estimated population in 2022 of just over 17 million.¹⁴⁹ Petroleum exports accounted for about one-third of its export earnings in 2017. Remittances also play an important role in the economy.¹⁵⁰ The United States is its principal trading partner with bilateral goods trade between the countries totaling over \$10 billion in 2020. In addition to crude oil, Ecuador's exports to the U.S. include shrimp and prawns, bananas and plantains, cocoa, and cut flowers (particularly roses). U.S. FDI in Ecuador is led by the manufacturing, wholesale, and retail sectors. In 2019, total U.S. FDI stock in Ecuador stood at \$619 million.¹⁵¹

The U.S. Ecuador TIC reactivated in 2018 immediately established six working groups to inform the work of the Parties. The working groups met virtually and in person throughout 2019 and 2020.¹⁵² In 2020 the Parties added a *Protocol on Trade Rules and Transparency* comprising four annexes covering trade facilitation, good regulatory practices, anticorruption, and small and medium-sized enterprises. Of particular interest is Annex IV on Small and Medium-Sized Enterprises, which, among other things, commits each Party to facilitate information sharing through creating its

¹⁴⁷ USTR 2019 Trade Policy Report & 2018 Annual Report, 33.

¹⁴⁸ Republic of the Philippines, Department of Trade and Industry, Press Release of August 25, 2021 -- <https://www.dti.gov.ph/news/asean-economic-officials-meet-with-austr/> <accessed June 20, 2022>.

¹⁴⁹ World Factbook Ecuador -- <https://www.cia.gov/the-world-factbook/countries/ecuador/> <accessed June 20, 2022>.

¹⁵⁰ Ibid.

¹⁵¹ U.S. Department of State Fact Sheet, U.S. Relations with Ecuador, available at <https://www.state.gov/u-s-relations-with-ecuador/> <accessed June 20, 2022>. Unlike for other countries discussed in the paper U.S. FDI information was easily discernible, provided by the U.S. Department of State.

¹⁵² USTR, 2020 Trade Policy Agenda & 2019 Annual Report, 25-26.

own free, publicly accessible website to provide information the Party considers useful to any person interested in trading, investing, or doing business in that Party's territory. This information may include: (a) customs regulations, procedures, or enquiry points; (b) regulations or procedures concerning intellectual property rights; (c) technical regulations, standards, or conformity assessment procedures; and (d) sanitary or phytosanitary measures relating to importation or exportation.¹⁵³

There is no apparent reason that a similar initiative could not be developed under the U.S.-CARICOM TIFA. The website initiative addresses the information gap identified earlier as a key barrier to trade, particularly for MSMEs in the region. Identifying the concrete needs of the region's private sector is an essential part of shaping a focused and concrete CARICOM agenda for TIC meetings.

In the context of addressing a barrier to trade, progress on the issues raised by the ban on the import of Guyanese fish could be made through the establishment of a Technical Working Group under the TIC. Technical working groups add value to the TIFA process by convening persons with the technical competence to develop concrete proposals and solutions. They operate in between TIC meetings so that the participants can make decisions at the Council meeting.

The Georgetown Chamber explained that Guyana catfish, which is caught wild in the Atlantic Ocean, is being unfairly lumped with and governed by regulations for the farm-raised catfish of the U.S. and Vietnam.¹⁵⁴ Whereas previously the catfish could be caught offshore and placed on ice for a few days, the new requirement is for the time between catch and processing to not exceed 24 hours. Implementation would require a processing facility on the boat which is outside of the capacity of Guyana's small fishermen. While U.S. catfish is primarily farm-raised which allows the water to be tested periodically, this is not possible in the Atlantic Ocean. An FDA approved processing facility may also need to be established, also raising capacity concerns. A bilateral Technical Working Group can explore the technical merits of these concerns

¹⁵³ U.S.-Ecuador 2020 Protocol on Trade Rules and Transparency, available at <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2020/december/united-states-and-ecuador-update-trade-and-investment-council-agreement-new-protocol-trade-rules-and> <accessed June 20, 2022>.

¹⁵⁴ While there are different categories of catfish this difference seems to be at the heart of the perceived injustice as Guyana views it. The hasa catfish which is raised in the rice fields would likely have to be excluded from this discussion.

and recommend solutions for discussion and adoption at the TIC. This approach could be adopted to address other barriers encountered by exporters into the U.S. market.

The TIC also provides a forum to explore solutions to the ongoing impasse over the rum cover over tax, highlighted by the Barbados Manufacturer's Association (BMA) as an outstanding issue of major concern to its members.¹⁵⁵ Since 1917,¹⁵⁶ the U.S. has imposed an excise tax on all rum imports, the majority of which is transferred or "covered over" to Puerto Rico and USVI.¹⁵⁷ The U.S. law implementing this program has not placed any conditions or restrictions on how this money is to be used; however, it was intended to help the territories provide essential government services, such as health care, infrastructure development, education, and land conservation.¹⁵⁸ While Puerto Rico has used a small portion of the "covered over" funds to market its rum, USVI has been dedicating a larger share of covered-over revenue to subsidize public and private infrastructure that directly benefit the rum industry.¹⁵⁹ These subsidies disadvantage some Caribbean rum producers and arguably are a violation of U.S. obligations as a WTO member. Since 2012, legislation has several times been introduced into the U.S. Congress that would place federal government controls on use of the funds and limit the territories' ability to use it to subsidize their rum industry.¹⁶⁰ None have been enacted into law. Should the U.S. continue to fail to change its laws affected Caribbean countries have a right to turn to the WTO for recourse. This right may remain theoretical, however, given the cost and other resources required to litigate at the WTO. The TIC forum provides an alternative forum in which to highlight the importance of this issue to the Caribbean and push for a resolution.

One goal of this paper is to open the eyes of the region's governments about the benefits to be gained from increasing private sector engagements for the TIC process. At the same time, the BSOs have to become advocates for their own interests and create the means and opportunity to bring their issues, in a focused manner to the table. As

¹⁵⁵ Conversation with BMA.

¹⁵⁶ The program dates back to 1917 for Puerto Rico and 1954 for the US Virgin Islands.

¹⁵⁷ Congressional Research Service, "The Rum Excise Tax Cover-Over: Legislative History and Current Issues," January 20, 2010 – September 20, 2012, Summary, available at <https://www.everycrsreport.com/reports/R41028.html#fn30> <last viewed on July 31, 2020>.

¹⁵⁸ *Ibid.*, at p. 8 and Note 30.

¹⁵⁹ *Ibid.* Summary.

¹⁶⁰ *Ibid.*, p. 8.

this paper shows, there is no paucity of information or ideas. What is needed is how to engage effectively and the mechanism(s) through which to do so.

Engagement by the Region's Private Sector

For a small region, its private sector eco-system is surprisingly complex and multi-layered.¹⁶¹ This complexity results in a degree of competition that can make cooperation or collaboration difficult. This does happen nevertheless, particularly on initiatives to improve the business enabling environment on which they can find common ground – crime and covid come to mind. The paper has recommended areas of common interest around which to collaborate in the context of driving trade and investment with the U.S. This final section offers some suggestions for the mechanisms of engagement with their governments and CARICOM.

The ABD network is already organized, requiring only that BSOs explore the benefits of becoming more involved and engaged. In this area, as discussed above, AmChams can play both an educational and energizing role.

More challenging to answer, are questions around how the private sector can organize itself to intervene in a state-led initiative that has not defined a role for it – the TIFA process. Should it? This paper has explored the benefits that can be derived from doing so. Hopefully CARICOM governments will also see the benefits of using private sector input to shape and focus a CARICOM agenda for TIC meetings.

Acknowledging the absence of a defined process for providing that input, how can the private sector organize itself to do so? There is no obvious candidate for a regional body to assume this role. The CARICOM Private Sector Organisation (CPSO) is charged with supporting the full implementation of the regional integration agenda.¹⁶² The BMA nevertheless expressed the belief that, as an official arm of CARICOM, the CPSO could at a minimum be charged with getting the question of private sector engagement in the TIC onto the agenda of CARICOM's Council of Trade and Economic Development (COTED). Responsibility for consultations with the region's

¹⁶¹ See Appendix I providing a brief description.

¹⁶² See home page of the CPSO at <http://thecpso.org/> <accessed June 20, 2022>.

private sector could then be delegated to the CPSO, ensuring private sector involvement at the regional level.¹⁶³

Should the CPSO not have the bandwidth to conduct the consultations, a joint committee of the Caribbean Chambers of Commerce (CARICHAM), the fledgling Caribbean Manufacturers Association (CMA), and Caribbean Coalition of Service Industries could fill that role, particularly if supplemented by the expertise of such national entities as the JMEA, TT Energy Chamber, TTC SI, and counterparts in other countries. After the initial work of scoping out the primary objectives and an agenda, this group could become an *ad hoc* committee convened for the purpose of providing content to TIC meetings.¹⁶⁴ The use of task forces could also be instrumental in bringing focused attention to implementation of recommendations to address the information gap.

Should efforts to organize at the regional level sputter or fail, nothing prevents the more motivated BSOs from acting at the national level. At the other extreme is organization of a pre-TIC Summit of the BSOs. The question of who organizes and finances it would have to be determined.

Whatever the method or approach used, advocating for the meetings to be held and following up would also be important. USTR has indicated that it looks forward to convening a TIC meeting in 2022. It is possible that the meeting held in the shadow of the Summit could be deemed to have been such a meeting. Looking forward to 2023 will create the time and opportunity to prepare adequately for successful outcomes.

¹⁶³ Conversation with BMA.

¹⁶⁴ BSO leaders are well positioned to find out when these will be occurring once made aware.

Summary & Priority Recommendations for Mechanisms on Private Sector Engagement in U.S.-Caricom Discussions

The recommendations here identify actions that the private sector can take without waiting on the region's governments to: a) agree on policy; or b) seek out the private sector. BSOs regularly initiate and collaborate on domestic issues of priority concern.¹⁶⁵

- **The private sector can assume a similar leadership role in directly engaging within the ABD network, of which they are already members, on the priority issues they have identified for this paper. *The ABD provides an existing mechanism for engagement within the Summit of the Americas process, as well as a model for engagement at the bilateral level in the context of the TIFA;***
- **Working through the CPSO or another regional entity place on the agenda of COTED the urgent need for private sector engagement in the TIC process; and**
- **Initiate a consultative process aimed at providing private sector input for TIC meetings.**

CONCLUSION

In summing up the recommendations made throughout this paper, we reiterate the benefits of a focused agenda and of establishing one or two priority goals. In identifying mechanisms for engagement, we recommended using ones already in existence.

This discussion about increasing Caribbean private sector participation in regional engagements with the United States includes an exploration of concrete goals to be gained in goods and services trade and in attracting FDI to the region. In each area, the paper identifies two or three priority recommendations. It then explores mechanisms

¹⁶⁵ In Jamaica, for example, the PSOJ initiated a joint initiative on crime that is now led by the Chamber and there is now a structural transformation project in which the major BSOs are all involved. In Trinidad & Tobago an informal grouping represents the CEOs of the major BSOs. Conversations with PSOJ and TT Chamber.

by which the Caribbean private sector can become engaged in helping to drive implementation of these recommendations and other solutions.

Trade in Goods

Consultations with the private sector highlighted the challenges that face the small and micro companies whose small shipments, though low in value, create a livelihood for many. Small size, capacity constraints, and lack of finance options limit their ability to scale and to grow. Along with the erosion of tariff preferences that narrow the pool of products that can profitably be exported, these factors help to explain why the trade preference benefits of the Caribbean Basin Initiative (CBI) program are underutilized. Consultations indicated a need for:

- Mechanisms to minimize the impact of changing standards for the entry of goods and their ad hoc enforcement;
- Market intelligence to assist with understanding and penetrating the large and complex U.S. market;
- Increased awareness on the benefits of the CBI program; and
- Reliable and consistent access to product-specific market entry requirements;

Priority recommendations to address barriers to goods trade:

- 3. Ongoing delivery of seminars and webinars to increase private sector awareness of CBERA benefits and how to use them effectively; and**
- 4. Creation of a mechanism to facilitate ready access to product-specific entry requirements.**

Trade in Services

In the area of services trade identified barriers included:

- The need for market intelligence to understand and support penetration of the U.S. market; and
- The state-based nature of professional licensing which impeded the ability to serve clients across the U.S.

Priority recommendations to address barriers to services trade:

- 4. Improving data collection on the services sector. Data is needed to show**

the important role of the sectors in contributing to GDP and to support the development of growth solutions for the domestic and export markets. TTCSI has indicated that it is willing to act as a resource for other CSIs in the region, sharing its experience in building up its trade in services data.

- 5. A Barbados report of its professional services sector highlighted a gap between local and international standards, which may have been erased or diminished; however, the role of associations in establishing and enforcing minimum requirements which meet or approximate international standards merits ongoing attention.**
- 6. Finding solutions to provide for portability of professional qualifications. Notwithstanding that the requirements are state-imposed, the U.S.-CARICOM Trade & Investment Council (TIC) could be used to convene the relevant players.**

Foreign Direct Investment

Consultations indicated a desire to partner with U.S. investors in building out solutions for the region, notably in the areas of renewable energy, providing nearshoring solutions, growing the non-oil energy sector in Guyana and Trinidad & Tobago, and food security. Here as well, discussions identified an information gap and challenges because of the size of the U.S. that complicates the ability to identify potential partners and investors. Recommendations stress the value to interested companies and entrepreneurs of using available mechanisms to explore business-to-business engagements.

Priority recommendations for private sector engagement on FDI

- 3. Become active and engaged in the Americas Business Dialogue (ABD) to which many Caribbean BSOs already belong; and**
- 4. Use the ABD network to organize business-to-business engagements to explore shared interests that could lead to partnerships and collaboration.**

Mechanisms for U.S.-CARICOM Private Sector Engagement

Given the complexity of the United States, the important but small role of the Caribbean in U.S. interests, and the region's limited capacity, the use of existing

mechanisms for engaging with the U.S. is advisable. We examine the Summit of the Americas and the TIFA processes as mechanisms through which the priority recommendations in this Paper can be implemented.

Engagement in the ABD network lends itself to the recommendation on using business-to-business dialogues with BSOs and companies in the U.S. and across the Americas and elsewhere to attract FDI and project partners. The ABD network is already organized, requiring only that BSOs explore the benefits of becoming more involved and engaged. In this area, the region's Amchams can play both an educational and energizing role.

The U.S.-CARICOM TIFA contains the framework for engaging with and increasing the Caribbean private sector in Caribbean-US engagements but is not being utilized. Just as the U.S. uses TIFAs primarily to pursue its own trade and commercial interests, the region needs an equally focused agenda that incorporates the needs and concerns of its private sector. The paper attempts some initial answers around how the private sector can organize itself to intervene in a state-led initiative that has not defined a role for it.

Priority recommendations for mechanisms on private sector engagement in U.S.-CARICOM discussions

The recommendations identify actions that the private sector can take without waiting on the region's governments to agree on policy or seek out the private sector.

- **The private sector can assume a similar leadership role in directly engaging within the ABD network, of which they are already members, on the priority issues they have identified for this paper. The ABD provides an existing mechanism for engagement within the Summit of the Americas process, as well as a model for engagement at the bilateral level in the context of the TIFA;**
- **Working through the CPSO or another regional entity place on the agenda of COTED the urgent need for private sector engagement in the TIC process; and**

- **Initiate a consultative process aimed at providing private sector input for TIC meetings.**

An important next step is to begin to present the findings of this report and its recommendations so the private sector can be sensitized and begin to focus on their role in advancing the above solutions.¹⁶⁶

¹⁶⁶ The PSOJ has said it could be willing to play a convening role.

APPENDIX I: LISTING OF BSOS CONSULTED

BARBADOS:

Barbados Manufacturer's Association (BMA)

- Ms. Shardae Boyce, Executive Director

BELIZE:

Belize Chamber of Commerce and Industries (BCCI)

- Mr. Dyon Elliott, Chief Policy Analyst

GUYANA:

Georgetown Chamber of Commerce (GCCCI)

- Mr. Timothy Tucker, President
- Mr. Richard Rambarran, Executive Director

Guyana Manufacturing & Services Association (GMSA)

- Mr. Rafeek Khan – President
- Mr. Ramsay Ali – Vice President
- Mr. Nazim Hassan – Executive Director

JAMAICA:

Private Sector Organisation of Jamaica (PSOJ)

- Ms. Imega Breece McNab, Executive Director, (former Executive Director, JMEA)

Jamaica Manufacturers & Exporters Association (JMEA)

- Ms. Kamesha Blake, Executive Director
- Ms. Sheneecia Salmon, Trade Advisor

Jamaica MSME Alliance

- Mr. Donovan Wignall, President

American Chamber of Commerce of Jamaica

- Ms. Jodi-Ann Quarrie, Chief Executive Officer

ST. KITTS & NEVIS:

- Mr. Andrew Satney, St. Kitts & Nevis Chamber of Industry & Commerce, Executive Director; Caribbean Chambers of Commerce (CARICHAM), past Vice Chair,

TRINIDAD & TOBAGO:

Trinidad & Tobago Manufacturers' Association (TTMA)

- Dr. Ramesh Ramdin, Chief Executive Officer

Trinidad & Tobago Chamber of Industry & Commerce

- Ian DeSouza, Chief Executive Officer
- Rianna Paul, Manager, Trade & Business Development Unit

Trinidad & Tobago Coalition of Service Industries (TTCSI)

- Ms. Vashti Guyadeen, Chief Executive Officer

Energy Chamber of Trinidad & Tobago

- Mr. Dax Driver, President and Chief Executive Officer; Immediate Past Chair Caribbean Chamber of Commerce (CARICHAM); CARICOM Private

Sector Organization (CPSO) Executive Committee Member

American Chamber of Commerce of Trinidad & Tobago

- Mr. Nirad Tewarie, Chief Executive Officer – (former CEO of TTCSI); Vice President for Executive Management, Association of American Chambers of Commerce in Latin America & the Caribbean (AACCLA)

THE FOLLOWING BSOs DID NOT RESPOND TO INVITATIONS:

- Barbados Chamber of Commerce & Industry
- Barbados Coalition of Service Industries
- Belize Coalition of Service Providers
- Barbados & Eastern Caribbean American Chamber of Commerce
- Guyana American Chamber of Commerce
- St. Lucia Coalition of Service Industries
- Caribbean Tourism Organisation

APPENDIX II: INTERVIEW TEMPLATE

QUESTIONS THAT GUIDED CONVERSATIONS WITH CARIBBEAN PRIVATE SECTOR ORGANISATIONS

Introduction

I have been engaged by the UWI Shridith Ramphal Center to prepare a research brief on the topic “*Increasing the Participation of the Caribbean Private Sector in US Caribbean Engagements*”.

The objective is to consider how the Caribbean private sector can increase its advocacy, visibility and participation in negotiations between the Caribbean and the United States. To this end, I seek no more than 30 minutes of your time to explore your thoughts on the issue and to share some initial findings prior to finalizing the research brief.

The approach taken is to identify existing mechanisms for U.S.-CARICOM engagement that could incorporate the private sector and seek to determine extent to which this is being done or could be done, as well as outcomes that could be attained through increased engagement by the private sector.

Questions Explored

Summit of the Americas – any prior knowledge of or involvement in the pre-Summit process or attendance at the Summit.

Trade and Investment Framework Agreements (TIFAs) and meetings of the Trade and Investment Council (TIC) created by TIFAs are the framework used by the United States to advance business and trade relations with countries in the absence of a free trade agreement. Are you aware of the US-CARICOM Trade and Investment Framework Agreement of 2013?

The U.S.-CARICOM Trade & Investment Council (TIC) is to meet at least annually and is charged by the TIFA with consulting with the private sector, and civil society, as relevant to its work and to facilitate expanded linkages between the Parties’

respective private sectors. Have you been informed of TIC meetings, or been invited to contribute to or participate in the work of the TIC?

If given the opportunity to participate in a TIC meeting or any other meetings on US-Caribbean trade/investment relations, what would you be most interested in achieving? Are there existing barriers to trade that you would seek to address or opportunities for increased trade or investment that you would wish to explore?

TIFAs signed between the U.S. and other countries or regions have created workplans identifying concrete outcomes and led to such initiatives as: (i) creation of a joint SPS committee and opening of U.S market for several Uruguayan agricultural and meat products; (ii) U.S.-ASEAN Road Shows held in U.S. cities to identify business opportunities and discuss potential trade and investment initiatives between the countries; (iii) U.S.-ASEAN cooperation initiatives to support post-pandemic economic recovery efforts in the areas of digital economy, MSMEs, sustainable development, trade facilitation, and labor and environment; and (iv) Annex on Small and Medium-Sized Enterprises to U.S.-Ecuador TIFA which commits the Parties to facilitate information sharing on trading, investing, and doing business through free, publicly accessible websites. What initiatives might it be worth exploring in the context of the U.S.-CARICOM TIFA?

In the absence of trade agreements under negotiation when governments take the lead, for the private sector to achieve concrete outcomes from the US-CARICOM TIFA, it may need to take an active or even leadership role. What mechanisms already exist or could be created to facilitate that? The Caribbean Private Sector Organisation (CPSO) is focused on energizing the CSME integration movement. Could the American Chambers of Commerce (AmChams) play a role?

- Concrete goals that could be achieved from increased engagement by the Caribbean private sector in helping to shape US-Caribbean policy.
- Practical mechanisms to increase Caribbean private sector engagement with the process of shaping US-Caribbean policy.

The objective is to consider how the Caribbean private sector can re-organize itself, and increase its advocacy, visibility and participating in negotiations between the Caribbean and the United States. What are your thoughts or suggestions?