

Saint Lucia National Export Development Strategy



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PREFACE

Overview of the Strategy Planning Process

The preparation of the National Export Development Strategy was the result of the combined effort of the Saint Lucia Chamber of Commerce and the Ministry of Commerce, Investment and Consumer Affairs in Saint Lucia. Financial and technical assistance were provided by the International Trade Centre (ITC) including the procurement of the services of a Coordinator to oversee the implementation of the exercise. The ITC's input also included the provision of a computer based strategy development template to aid the process. This template is based on an ITC interactive strategy development model involving team participation from a wide cross section of exporters and relevant private and public sector organizations.

The strong public - private sector partnership that existed between the two primary agencies has proven to be the core factor in the successful preparation of the National Export Development Strategy. It is expected that this partnership will continue into the implementation phase and beyond.

Undoubtedly the initiation of the exercise has raised the consciousness in both public and private sectors of the critical need to examine the role of exports in the national development context and to address and clarify the country's future position regarding the importance of exports.

The strategy development process was managed throughout by a multi-disciplinary, cross - sector team, comprising representatives from both private and public sectors and including all the main providers of export related support services.

This participatory approach was adopted from the onset of the process in July 2003 and was maintained throughout. The Strategy development process included a series of consultations including the hosting of a National Symposium and capacity building workshops for the strategy developers. At the design stage of the strategy development process the Core Team was expanded to include representatives from all the major goods and service export areas. These Sector Teams as they were called were also exposed to training to ensure their effective participation in the process.

On this basis of such broad participation and consultation, the National Export Development Strategy truly represents shared goals of both private and public sectors and the aspirations of the export community.

Scope of Strategy

The national export development strategy is based upon the “four gear concept” that is utilized in the ITC process tool “*The ITC Secrets of Strategy Template*”. This conceptual framework states that for comprehensive coverage of all relevant issues national export development must be examined from four primary perspectives namely: -

- a. Border - In issues that impact production efficiency and export management competency
- b. Border - Out issues that determine market growth and success
- c. Border issues that relate to trade facilitation and transaction
- d. Development issues that place emphasis on the developmental impacts of the export sector and its synchronicity with national development goals.

1.1 General Overview

The Saint Lucia National Export Development Strategy (SLNEDS) is a five year sector plan that sets out discrete actions, allocates resources and specifies responsibility for the pursuit of national development goals through the diversification and expansion of exports.

1.2 National Development Perspective

Saint Lucia's economy has been experiencing slow growth over the past five years although the prognosis for the future is promising. Export performance declined due principally to changes in the EU import regime for bananas, a commodity that has traditionally been the country's main export. Growth in the export of manufactured goods also declined due to increased international competition through global trade liberalization. As a direct result of these impacts the economy has been undergoing a major transition, evidenced by the increasing importance of tourism (and its effective replacement of agriculture) as the major foreign exchange earner and contributor to the country's Gross Domestic Product (GDP).

In order to promote a more balanced economic structure and to increase the economic growth rate, the government has focussed a great deal of resources on improving efficiency in agricultural production. At the same time there have been concerted efforts to boost production of manufactured goods by providing assistance to local firms to enhance their international competitiveness. Although such measures are outlined in the current Medium Term Development Strategy document (2002-2006), they have hitherto not been articulated in a structured programme geared towards the enhancement of export performance.

Saint Lucia is actively pursuing the attainment of a CARICOM Single Market and Economy (CSME) and continues to follow developments with respect to the formation of the proposed Free Trade Area of the Americas (FTAA). In addition, as a member of the World Trade Organization (WTO), Saint Lucia continues to face increasing pressure to deepen and widen trade liberalization through requests for lowering its present tariff levels with respect to its WTO bound rates and to including new areas for liberalization in the GATS negotiations. The formulation of a strategic plan for export development at the national level is

pivotal for effective participation in these trade negotiations and for harnessing the potential benefits of the trade regimes that emerge.

1.3 Saint Lucia's Export Performance

Saint Lucia's main exports comprise both tradable goods and services (merchandise trade and commercial services). The merchandise trade component is characterized by a few large exporters that are generally well recognized for the high standards and quality of their products on one hand, while on the other hand there is a significant volume of small processors and industrial traders (SMEs) whose outputs are typically below acceptable competitiveness standards. Among the latter are potential and aspiring exporters who require an enabling environment and other support services in order to achieve international competitiveness.

Saint Lucia's merchandise exports are concentrated in a few primary areas that are targeted at a few traditional markets principally in the U K and the Caribbean region. For more than four decades agriculture exports (specifically bananas) have dominated this category of exports with manufactured goods making a significant though inconsistent contribution. Exports of manufactured goods show varying performance depending on the prevailing market conditions and production environment of specific products within the group. The main products within this category are Beverages; Agro processed products (mainly foods and in particular condiments), Paper and Paperboard, and Electronic components.

The enforcement of and application of international standards and certification through the WTO have negatively impacted the growth of Saint Lucia's merchandise trade in recent years. Essentially, with the rapid dismantling of international trade barriers, both large and small exporters must produce at the standards that are prescribed in target markets, which are usually based on international standards. This adjustment has proven costly and difficult for some SMEs and in this context the Science & Technology related needs of the sector are therefore of paramount importance for achieving competitiveness. These refer to (a) the adoption of effective operational systems, and quality assurance programmes that are necessary to produce at the required international standards and (b) development of new production processes and/ or upgrading of physical plant to improve outputs.

There is also a high degree of product and market concentration within the export sector, which creates a situation of extreme vulnerability to changes in the specific markets as well as to changes in the global economy. The poor performance of national exports over the past two years, which is depicted in

Table 1 below, reflects to a significant degree, declining economic conditions in the principal markets. Trade promotion and marketing related services in new and emerging markets are therefore critical for export market diversification and growth of exports.

Table 1 Value of Imports, Exports, Balance of Trade and GDP

Millions of EC\$

Year	Imports	Domestic Exports	Re-Exports	Total Exports	Balance of Trade (Deficit)	Gross Domestic Product
1999	957.3	140.3	10.0	150.3	-870.0	1159.02
2000	958.7	106.3	10.8	117.1	-841.6	1161.38
2001	834.8	100.3	19.3	119.6	-715.2	1107.83
2002	849.5	106.1				1109.09
2003	1059.5	103.4				

Source Ministry of Finance Saint Lucia

Although it has hitherto proven difficult to quantify services exports (to the degree of specificity that tradable goods are recorded), review of the tourism industry alone provides ample evidence of the growth in commercial services exports in recent years and the tremendous importance of this component of exports to overall economic development.

Saint Lucia's ability to compete effectively is especially evident through mode two of the WTO classification (consumption aboard). Tourism services in particular have experienced significant growth and this category of service exports is currently the main contributor to the GDP. Other service areas show tremendous potential for growth in the future.

The main challenges to competitiveness with respect to services relate to the quality of the human resource base and adherence to internationally acceptable standards of quality and performance.

2.1 Vision - “Enhancing Global Competitiveness”

Export development is envisioned as a key requirement for economic diversification and alleviation of poverty by contributing to the growth of output and employment, through enhanced global competitiveness. This statement summarizes the foundational guidelines that are espoused in the SLNEDS: These are:

- Existing competitive exports must be supported in order to sustain and increase their competitive position
- The national export strategy must embrace both goods and service exports and generally promote an export orientation among national producers
- Government fiscal incentives should be leveraged towards enhanced value added and exports expansion
- Potentially competitive firms are to be transformed to become internationally successful players
- Assist non - competitive firms to make the transition towards new competitive models
- There must be a strong Trade Support Delivery network

2.2 Strategic objectives and areas of focus

The National Export Development Strategy is therefore designed to achieve two pronged objectives. Firstly to inform government trade policy and trade negotiating strategies and secondly to set a clear plan of action for enhancing export performance. In this context the overall aims of the strategy can be stated as follows:

1. *To sensitise national policy makers of the importance of exports as a major contributor to the country's growth and development and to have this reflected in the national development plans and programmes.*
2. *To increase the gains to the national economy. This could be captured through the following primary areas/indicators:*
 - A. Increased foreign exchange earnings
 - B. Increased employment
 - C. Improved Balance of Trade position

D. Increased enterprise growth and output

Increasing international trade through expansion of exports has historically been an economic strategy aimed at realizing the goal of national development. Increasing international competition in the markets for traditional exports and the global dismantling of trade barriers that have occurred in recent years have resulted in the deterioration of the terms of trade.

The export strategy development process has facilitated a systematic assessment of the competitive advantages of the national export base and the underlying critical success factors for achievement of global competitiveness. Based on this analysis the SLNEDS focuses on the following main strategic directions (or overall goals). These are:

- a. **Institutional Focus:** Creation of a satisfactory institutional arrangement(s) for continuous development of exports
- b. **Competitiveness Focus:** Enhance international competitiveness of local exporters and increase value added
- c. **Promotion Focus:** Sustainable market based, consumer focussed marketing and sales efforts that embrace all priority goods and services sectors.
- d. **Negotiations:** Ensure that the proposed product and market strategies are reflected in bilateral and multilateral trade negotiations such as the FTAA, CSME and WTO

The overall purpose of the Export Strategy is to coordinate and direct the efforts of Government and the private sector in export development combining competitive advantages with production and marketing interventions to enhance global competitiveness; i.e. to create a winning combination.

The SLNEDS specifically sets out detailed plans of action in the following key areas:

- **Product Development And Diversification** (Interventions for development of ten (10) priority export sectors)
- **Market Development And Expansion**
- **Value Addition (through the optimum use of domestic resources in the production process)**
- **Policy in support of Export Development** (including interventions for provision of support services in critical cross sector areas)
- **Institutional Framework for Implementation of the Export Strategy** and for continuous development of the sectors (including interventions for institutional strengthening at national and sector levels)

The SLNEDS also specifies responsibility for implementation within the national institutional framework with detailed mechanisms for monitoring and evaluation over the next five (5) years.

3.1 Overview of the Global Economy

Saint Lucia's three main export markets for merchandise trade in order of rank are the United Kingdom, the Caribbean Common Market and the United States. In 2002 these markets accounted for significant share of exports as follows:

Table 2 Saint Lucia's Main Export Markets

Country/ Market Region	Value of Export (EC\$ Million in 2002)	% Market share	Rank
CARICOM	28.339	27.0%	2
United Kingdom	59.00	55.9%	1
USA	15.744	14.8%	3
Total Exports	106.268	100%	

Source: Statistical Department; Saint Lucia

As a small open economy Saint Lucia's export performance is influenced primarily by the economic growth trends in these major markets.

The UK and USA are among the world's most developed countries that typically dictate global economic developments and according to the WTO world trade report¹ the global economy increased by 2.5 % in 2003 with a corresponding rise in international trade by 4.5% in that year. At the same time the US dollar prices of internationally traded goods increased by 10.5 % (the highest since 1995)

Saint Lucia's trade with these markets will remain important for the future as both these markets are earmarked for continued growth. For example, United States import growth exceeded the world average for the third successive year. This buoyancy has been a significant factor in mitigating sluggish world trade growth over the last few years. Furthermore, USA is ranked number one in the world as importer of both goods and services (refer to Table 7). Import growth in this market continues to exceed export growth, further widening the trade deficit. Geographically, Saint Lucia is well placed to take advantages of export opportunities to the USA and the current negotiations for creation of the FTAA should further enhance market access. Liberalization of the telecommunications sector and Integration of the international financial markets continue to pave the way for expansion of services exports to the USA.

¹ World Economic Report 2003; WTO

The United Kingdom on the other hand is a member of the European Union, which is still rapidly expanding, with the addition of fifteen (15) new members in August 2004. The UK is therefore not only important in terms of the absolute value of imports /market share but is strategically important as a gateway to the EU i.e. for gaining access to the widening EU market.

Table 3 below depicts the recent trends in trade in the world economy and for these major markets.

Table 3 Trade Developments in the Major Global Markets 2000 - 2003(US Billions)

	2003	1990-2000	2002	2003	2003	1990 - 2000	2002	2003
	Imports				Exports			
World	7,274	6	4	16	7,557	6	4	16
North America	996	7	-5	5	1,552	9	2	9
United States	724	7	-5	4	1,306	9	2	9
Western Europe	3,141	4	6	17	3,173	4	5	18
European Union (15)	2,894	4	6	17	2,914	4	4	18
Extra Trade	1,099	5	7	17	1,114	5	2	19
Intra Trade	1,795	4	6	18	1,800	4	6	18

Source: World Economic Report 2003; WTO

Table 4- Growth of Global Trade in Merchandise and Commercial Services - 1990 – 2003 Insert Measurement

	Value	Annual percentage change			
	2003	1990 - 2000	2001	2002	2003
Merchandise	7,274	6	-4	4	16
Commercial services	1,763	7	0	6	12

Source: World Economic Report 2003; WTO

Table 4 depicts the overall trends in total global exports of merchandise and commercial services from 1990 to 2003. The positive trend in global trade augurs well for Saint Lucia's exports for the future in these two main markets. Furthermore as it did in the case of the USA, liberalization of Saint Lucia's telecommunications sector and integration within the international financial markets are expected to provide additional impetus for the growth of service exports to the UK (and the rest of the EU).

3.2 The Hemispheric and Regional Setting

The CARICOM area is currently Saint Lucia's second most important export market (refer to Table 1). Consequently, the move towards the creation of the CARICOM Single Market and Economy (CSME) by the year 2005 is the most important trade development that will impact the growth of Saint Lucia's exports in this market during the strategic plan period.

This means that the entire Caribbean Community area will be proclaimed as Saint Lucia's extended domestic market so that trade within this area which is now classified as exports will be reclassified as intra regional or domestic. Also, existing barriers to trade will be dismantled granting regional exporters greater accessibility to the traditional national markets. The free movement of labour within the single market should also serve as an incentive for the growth of service exports especially through modes three and four (Commercial Presence and Movement of Natural Persons).

Table 4 depicts the value of CARICOM's imports, which can be used as a proxy for the size of the regional export market. This table also shows the balance of services and merchandise trade for Saint Lucia as well as for Barbados and Jamaica two of the larger markets within the proposed CSME. Key opportunities to improve Saint Lucia's trade balance with these and other CARICOM countries will be discussed in Section 2.3 below.

Table 5 CARICOM Trade Balances and Value of Imports (US\$M)

	2000	2001	2002		2000	2001	2002		2000	2001	2002
	Value of Imports				Balance of Services				Merchandise Trade Balance		
CARICOM	9,842	9,555	5,532		2,658	3,035	3,005		4,913	4,118	3,654
Barbados	1,156	1,069	997		591	571	603		-651	-714	-744
Jamaica	3,192	3,403	-		477	541	539		1,130	1134	1354
Saint Lucia	363	309	315		185	188	190		-225	-251	-253

Source: CARICOM STATS 2003; CARICOM Secretariat

3.3 Key Opportunities for Growth

3.3.1 The Developed Countries

WTO economists project that global GDP growth is expected to reach 3.7 per cent in 2004, with this world trade could expand by 7.5 per cent in 2004.

The Table 5 shows the value of CARICOM's exports to the USA and the EU. The existing volume of trade to these primary markets by the region as a whole can

be interpreted as an indication of the extent of the Single Market's existing share of these major markets.

Table 6 CARICOM exports to USA and EU (US\$M)

	2000	2001	2002
Exports to the USA			
CARICOM (all sections of SITC)	2,693	2,306	1,596
Saint Lucia's exports	6.3	6.4	4.8
Exports to EU			
CARICOM (all sections of SITC)	1,099	756	374
Saint Lucia's exports	22.3	34.3	22.5

Source: CARICOM STATS 2003; CARICOM Secretariat

As Saint Lucia seeks opportunities for export growth in the future the USA and the EU will continue to be main target area for the strategic plan period. This is because of the current size and leading trade performance of these markets and their economic forecasts for the foreseeable future. Table 7 shows the high ranking of those primary markets in international trade transactions. Saint Lucia is therefore taking a strategic approach towards propelling the growth of exports to these markets.

The increased threat of terrorism throughout the world has inadvertently created an additional comparative advantage for the region in services exports because of its regional security arrangements and interlinks with the USA in this regard. This relatively secure status will be leveraged to propel the thrust towards exports of goods and services (especially tourism) in the USA.

Table 7 Global Ranking of Merchandise Trade and Commercial Services - 2003

Global Merchandise Trade Ranking					Global Service Trade Ranking				
Rank	Importers	Value	Share	Annual percentage change	Rank	Importers	Value	Share	Annual percentage change
1	United States	1,305.6	16.8	9	1	United States	218.2	12.5	6
2	Germany	601.7	7.7	23	2	Germany	167.0	9.6	12
3	China	412.8	5.3	40	3	United Kingdom	112.4	6.4	11
4	France	388.4	5.0	18	4	Japan	109.7	6.3	3
5	United Kingdom	388.3	5.0	12	5	France	81.6	4.7	20
6	Japan	383.0	4.9	14	6	Italy	74.1	4.3	21
7	Italy	289.0	3.7	17	7	Netherlands	66.2	3.8	17
8	Netherlands	261.1	3.4	19	8	China	53.8	3.1	...
9	Canada	245.6	3.2	8	9	Ireland	48.5	2.8	20
10	Belgium	234.3	3.0	18	10	Canada	47.8	2.7	14

Source: World Economic Report 2003; WTO

With regard to the EU Saint Lucia has developed competitive advantages over the years and goodwill from its historic merchandise trade links with UK firms. For the strategic plan period emphasis will be placed on translating these

advantages into meaningful opportunities to develop ancillary and new commercial service exports to the UK. Also through targeted trade negotiations and trade promotion efforts Saint Lucia will leverage its experiences in the UK for diversifying into other principal EU markets.

3.3.2 CARICOM Single Market and Economy (CSME)

Within the framework of the proposed CSME there are several key opportunities for Saint Lucia to develop its exports. Primary among these are:

- Opportunities for expansion of exports of commercial services within the CSME such as;
 - a. Professional services and Training
 - b. Arts and Entertainment
 - c. Tourism
- Opportunities for increased merchandise trade in target/niche markets such as;
 - a. Increased exports of agricultural commodities and fisheries products to the northern leeward islands and Barbados and the DOMs
 - b. Increased exports of manufactured goods (and agro processed goods) to the regional markets

3.4 Projections for Export Growth

3.4.1 Product Development and Diversification

Saint Lucia’s current merchandise exports are concentrated in a few sectors as indicated in Table 8. The SLNEDS advances the diversification of exports to the priority areas indicated in column 2 and for the increased prominence of service exports in the areas indicated.

Table 8 Saint Lucia Current and Projected- Major Exports

Saint Lucia’s current List of Main exports	Saint Lucia’s projected List of Main exports
PRIMARY EXPORTS	
Bananas (34%)	Agriculture
Beer and Ale (20.7%)	Architecture
Clothing (8.6 %)	Arts and Entertainment
Electrical Machinery (3.7%)	Beverages
Paper and Paperboard (3.7%)	Chemicals
Other Vegetables and Fruits (1.8%).	Agro -processed products {food /condiments)
	Information Technology
	Integrated Marketing and Communications
	Nursing Services Training*
	Tourism
	SECONDARY EXPORT SECTORS*
	Handicraft (ceramics and pottery)
	Sporting
	Garments

- Sectors to be developed

As the composition of Saint Lucia's main exports changes the overall value and volume of exports are also expected to increase. Based on expectations of the SLNEDS for economic growth for Saint Lucia for the next 3–5 years the following growth rates for exports are projected.

Table 9 Projected GDP and Export growth -2004 - 2008

Selected BOP Items St. Lucia 2002 - 2008 EC\$ millions							
	2002	2003	2004p	2005p	2006p	2007p	2008p
Domestic Exports	115.86	103.37	115.4	122.16	108.21	119.04	118.49
<i>Growth rate</i>		-11%	12%	6%	-11%	10%	0%
Total Services	696.93	885.45	985.61	1067.54	1155.64	1281.17	1352.77
<i>Growth rate</i>		27%	11%	8%	8%	11%	6%
<i>of which:</i>							
Travel (Tourism)	579.23	763.18	857.85	934.42	1017.9	1138.86	1217.15
<i>Growth rate</i>		32%	12%	9%	9%	12%	7%
Memo items:							
Tourism GDP Growth (%)			5.19	3	3.11	6	2
GDP Growth (%)			3.41	2.85	3.01	1.69	1.18

Source: Ministry of Finance

3.4.2 Value Addition

- There is a low coefficient of value added to the national exports. Bananas, fruits and other food crops account for approximately 36% of exports. Other manufactured/processed products typically have high import content leading to, on average, a low coefficient of value added to national exports.
- Research reveal that there are typically few technological innovations in industry in terms of new product developments and improvements²
- Local raw material content in exports of manufactured goods is generally very low

² Source: Report On Consultancy For Strengthening Of Science And Technology In Saint Lucia

4.1 THE TEN PRIORITY SECTORS

The fundamental elements of the SLNEDS are based on product development and diversification in ten (10) priority sectors. The following is the list of the ten (10) priority sectors upon which the SLNEDS will focus for the next three to five years:

Table 10 Saint Lucia - Priority Export Sectors 2004 -2008

1. Agriculture	6. Food (Agro-processed products)
2. Architecture	7. Information Technology
3. Arts and Entertainment	8. Integrated Marketing and Communications
4. Beverages	9. Nursing Services (Training)
5. Chemicals	10 Tourism (To be developed separately)

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The selection of these priorities was based on the following criteria:

- a. Review export performance over past five years
- b. Assess competitiveness (from border-in, border-out and border perspectives)
- c. Presentation of the future perspectives (based on; emerging competitiveness, challenges, new capabilities and export potential)
- d. High probability of success based on comparative advantages like resource use, degree of integration (backward and forward linkages) or clusters and availability of trade support services

Details of the specific strategies in respect of each of the sectors are contained in Appendix 2. The following are broad summaries of the programmes and activities to be undertaken

4.1.1.1 Agriculture

In recent years agriculture's share of the Gross Domestic Product has contracted significantly declining from 11.02 percent in 1996 to 4.9 percent in 2003. The sector's export performance has likewise declined with bananas the main commodity being reduced from 104,805 tonnes in 1996 to 33,971 tonnes in 2003. Performance of other agricultural commodities has been variable as the sector grapples with the challenges of diversification around a banana centred export base.

The diversification thrust of the national agriculture policy and strategy will be the driving force behind the sector export strategy. The agriculture sector export strategy will provide the impetus to move away from subsistence farming towards the commercialization of farm operations. The importance of promoting value addition in agriculture as opposed to a limited focus on production of primary commodities is also central to the strategy.

The strategy is formulated on the principles on efficiency, which dictates that the limited resources available must be focussed on the commodities that demonstrate international competitiveness either in terms of market demand or comparative advantages at the production level.

Based on this strict criterion the nine "commodities" are identified within the strategy and measures are proposed to increase output of those commodities by facilitating expansion of production and organization of the production base along commodity lines with respect to appropriate land allocation within suitable agro-ecological zones. Emerging opportunities will also be pursued.

However the two main areas of emphasis of the strategy are:

1. Strengthening the adoption of good agricultural field practices to enhance efficiencies and competitiveness and;
2. Ensuring the delivery of trade related support for market expansion and growth. Some of the critical areas of support catered for in the strategy include;
 - a. Interventions to ensure compliance with international product standards and quality management requirements
 - b. Interventions to increase market knowledge and improve the effectiveness of marketing and trade promotion endeavours
 - c. Interventions to reduce cost and generally increase efficiency in distribution / delivery.

- d. Human resource capacity enhancement for the sustainability of agricultural development
- e. Improving the investment climate for agriculture

4.1.1.2 Architecture

The architecture services sector is “new” in terms of being considered as a priority area for export. The sector is relatively small in terms of the number of operators and diversity of skills available at present. However the liberalization of telecommunications globally and nationally has created a platform for integration of the sector into the growing stream of the international commercial services.

The strategy primarily seeks to address issues of capacity building, quality assurance and standards and proposes measures to promote and expose the sector internationally. Building strategic alliances with international architectural firms is critical to enhancing the sector’s competitiveness and augment skills.

The weak institutional framework and lack of standards are critical measures that must be implemented at the national level in order to streamline the sector towards the achievement of the potential export benefits.

4.1.1.3 Arts and Entertainment

This sector embraces a broad range of areas and activities and includes the production of both goods and services. The sector strategy focuses on the services aspect and includes all four modes of delivery as defined in the General Agreement for Trade in Services (GATS).

The strategy was developed from a broad based sector analysis and identification of those services for which Saint Lucia has a demonstrated competitive advantage regionally or internationally. Four priority areas emerged from this process as follows:

1. Music Production
2. Staged Performances
3. Events Managements
4. Carnival Arts

The strategy delineates critical measures for increasing the share of the global market by national artistes and entertainers. The main areas of intervention in this regard are:

- Development of proper marketing channels and mechanisms to penetrate new markets

- Entrepreneurial development programmes and incentives that are geared towards the transformation of economic practices that are essentially cultural in origin and practice into viable commercial enterprises
- Education and Skills training to enhance the quality of output
- Improved linkages with tourism and other export sectors for accelerated growth

4.1.1.4 Beverages

The beverages sector strategy incorporated both alcoholic and non-alcoholic beverages, beer and bottled water. Although these sub-components do not display uniform performance patterns the sector's overall profile depicts a strong growth trend and ability to compete internationally.

The main focus of the strategy is therefore to consolidate the competitive advantages of the sector, to sustain the growth of the sector and to strengthen weak areas. The main concerns in this regard relate to cost minimization in diverse areas that ultimately impact export competitiveness. In this regard the strategy recommends tremendous strengthening of the facilitating trade support services provided by the government, in terms of providing accurate and timely information (such as statistics, regulatory and trade restriction details for possible markets etc), development of an export trade Office/Network, which will support exports as well as provide safeguards to the local market within the constraints of Saint Lucia's WTO obligations and facilitate the necessary dialog between the negotiating arms of the public sector and the exporting arms of the private sector.

Product development, quality initiatives, differentiation and marketing are key requirements for ensuring the sector's competitive edge and as such public and private sector partnership in research and development and export promotion are paramount.

Continued strengthening of the SLBS and targeted support for firms implementing quality initiatives, such as World Class Manufacturing, ISO 9000/2000 and HACCP will ensure that the products are able to meet the rigorous quality requirements of the targeted export markets.

The strategy also sees the development of the human resources as a critical issue. It therefore seeks support in terms of incentives for the private sector sponsored training, as well as the development of both a skills bank and development of training programmes and syllabuses based on industry requirements.

4.1.1.5 Chemicals

The main thrust of the sector strategy is to realize improvement in product quality and increase market share within the proposed CSME and the other regional markets. The creation of the CSME will likely produce increased competition for this sector and as such deliberate measures are proposed to boost its competitiveness.

The chemicals sector is not large in terms of the number of firms involved but it is dynamic and demonstrates the potential for continued growth. Moreover there is broad scope for new entrants into the sector. The sector's growth and expansion is pursued through direct investment promotion and strategic alliances building between existing firms and potential investors.

Product enhancement is also an ongoing requirement for enhancing the sector's competitiveness and this necessitates sound infrastructure for science and technology support such as laboratory and other related technical services that are needed for design and development. In this regard the increase value added through linkages with agriculture is also encouraged in this context. Finally, increased training support at the enterprise level in the endeavour to increase productivity will also have a definite positive impact on export performance.

4.1.1.6 Food / Agro -Processed Products

The food export sector covers a wide range of food products in various processed forms. The main existing export categories are sauces and condiments, coconut products, pasta products and jams and jellies. The growth and development of this export sector is intrinsically related to the advancement of value added agricultural production or agro-processing.

While there are some successful exporters in this sector there are many potential and aspiring exporters who are in need of technical and financial support in order to breakthrough in the international market. The export strategy is designed address the sector's needs to innovate, (i.e. produce new and improved products), expand production and broaden its markets.

The need for technological upgrading to expand production is of paramount importance to the sector. This need is met through skills improvement, acquisition of modern plant and equipment and the injection of investment capital. The importance of research and development activities and for laboratory and testing facilities cannot be overemphasised.

The strategy makes provision for conduct of skills needs assessment for the development of this sector and subsequent implementation of its results and recommendations in order to enhance the sector's capacity.

In the current era of open and intense competition the food sector is subject to fierce competition from diverse sources including imitation products whereby producers seek to capitalize on the uniqueness and market appeal of the authentic local products. The advent of the CSME will also result in intense competition for the sector as many similar products within the region jostle for prominence. In dealing with these realities the strategy proposes new approaches to marketing and trade promotion by individual firms and at the national level such as national branding. Enhanced quality and standards and innovation to produce new and improved products are also critical components of the new aggressive approach towards sustaining competitiveness and gaining market share.

4.1.1.7 Information Technology

The IT sector is gaining increasing prominence in international trade directly as a commercial service sector and indirectly as a facilitating or support service in other export sectors.

The sector strategy recognizes the increasing demand for IT services globally and focuses on increasing the sector's capacity to take advantage of export opportunities. Entrepreneurial development is advocated in order to expand the volume and scope of the services that are currently being produced for the export market. The strategic programmes and activities proposed in this regard relate to the following:

- a. Human resources development (increasing and enhancing skills)
- b. Streamlining financing arrangements to increase the level of investment to the sector.

The importance of ensuring that a suitably enabling business environment exists that is supportive of and encourages investment in the sector is central to the strategy. In this light creation of an association for business advocacy and collaboration is a key strategic action proposed.

At the policy level the high cost of telecommunications infrastructure and services is to be addressed and measures put in place to safeguard intellectual property rights as further incentives to prospective entrepreneurs.

4.1.1.8 Integrated Marketing Communications

The term Integrated Marketing communications is used in the context of the SLNEDS to refer to the broad range of commercial services such as advertising, marketing, public relations and the like. There is evidence of increasing demand for these services nationally and externally and that local service producers have the capability to compete effectively in meeting the demand at the required international standards.

These services are primarily delivered via the movement of natural persons and commercial presence aboard (modes four and three according to the GATS) and as such the strategy systematically addresses issues and concerns that hinder or prohibit services delivery. These strategic interventions ultimately influence Saint Lucia's international trade negotiations agenda.

The importance of education and training to increase the number of qualified personnel within the sector is critical for taking advantage of existing and emerging export opportunities. The strategy also recognizes the importance of an appropriate institutional framework for continuous development planning and advocacy at the sector level.

4.1.1.9 Nursing Services

Qualified nursing personnel are in high demand in the developed countries (specifically the USA, Canada and the UK) and the migration of local nurses to satisfy this demand has created an opportunity for Saint Lucia to offer training services specifically to cater to the external demand.

The strategy seeks to build the capacity for effectively transforming what is currently a skills drain on the local economy into a viable and sustainable commercial service. Strengthening the policy and institutional framework and increasing managerial capability to effectively execute the service are principal elements of the strategy.

The strategy also includes measures to effectively promote the service in the intended markets as well as mechanisms to foster collaboration among the Ministries of Health and Education and the Sir Arthur Lewis Community College.

4.1.1.10 Tourism

Tourism is a primary export sector in Saint Lucia that is interlinked to the entire priority sector. Due to the complex nature of these relationships and the

significance of tourism on the national economy a separate and detailed tourism development strategy will be developed as a complement to the SLNEDS. It is specifically intended that the exports component of the proposed Tourism development Strategy will be integrated into the SLNEDS.

4.2

SECONDARY EXPORT SECTORS

In addition to the priority sectors addressed above three secondary export sectors have been identified during the course of preparing the SLNEDS. These are: Handicrafts, Sporting, and Garments.

Although the sector analysis did not result in a high priority being placed on those sectors they emerged as strong potential sectors that should be supported to the extent that resources allow. At the very least the performance of those sectors should be carefully monitored with the intent of elevating them to priority exports sectors in the future.

Relevant issues in respect of these sectors are detailed below:

4.2.1 Handicraft

With the exception of the pottery and ceramics sub - sector, the handicraft sector is functioning at a relatively low skilled, low technology level. Consequently the sector is not equipped to withstand the international competition that presently obtains in the export markets. Under the SLNEDS the pottery and ceramics sub-sectors will be considered for support in the areas of product design, product development and marketing support. Other segments of the handicraft sector will be subject development assistance through the ongoing support of the Ministry of Commerce, Investment and Consumer Affairs.

4.2.2 Sports

Saint Lucia has made considerable impact in recent years as a venue for hosting of regional and international cricket matches. The hosting of several matches during the 2007 World Cup Cricket tournament is the greatest achievement thus far and the country is well advanced in its preparation for this event.

Although preparations are still ongoing for the Cricket World Cup the country is no doubt amassing considerable skills and experience that will enhance its competitiveness in hosting regional and international sporting events in the future. Exports of such services will likely be accorded high priority in the future. In the immediate and short term the sector should be considered as qualifying for venue marketing and promotion support especially in regard to the 2007 event. Wherever possible inter- sector linkages and synergies should be created

between the ongoing Cricket World Cup preparation activities and the execution of complementary activities in the priority export sectors.

4.2.3 Garments

The garments sector has undergone major adjustments in the past and presently constitute of a few distinguished exporters and a large number of cottage type domestic producers. At one end of the spectrum there are the vast majority of producers (mainly seamstresses and tailors) who occasionally export but are generally concentrated in the home market and at the other end there are a few distinguished exporters of clothing and bed linen and accessories.

These exporting firms should find support within the SLNEDS in areas of product development and market expansion.

4.3 PRODUCT DEVELOPMENT AND DIVERSIFICATION

The main thrust of the SLNEDS is to increase the value and volume of exports to regional and extra regional markets in the ten priority sectors. This will be achieved through two primary approaches (a) Product / service development and (b) Product/ service diversification. Details of the measures to be adopted under each of these approaches follow:

4.3.1 Product/ Service Development

This aspect of the strategy focuses on increasing the volume of existing products and services. The main strategic actions proposed are:

- a. Expansion of the exports base to encompass both goods and services as indicated by the ten priority areas.
- b. Increase production capacity in the ten priority export sectors
- c. Development of a national quality infrastructure that will:
 - i. Promote the implementation of internationally recognized standards
 - ii. Develop capabilities for certification to HACCP, ISO 9000 and ISO 14000.

In the context of the development of the national quality infrastructure the following key tasks will be undertaken:

1. Carry out needs assessment on a regular basis (at least every five years) to determine the requirements of the export sector as it relates to quality and standards.
2. Develop a National Quality Policy, and constitute a National Quality Council, comprising key Government and Private Sector stakeholders to oversee the implementation of this Policy
3. Encourage the private sector to get involved in the provision of standards related technical assistance services. Special incentives should be given to persons willing to establish companies to provide these services

4.3.2 Product Diversification/ Development of New and Improved Products

This aspect of the strategy is concerned with the creation of new products and generally broadening the range of goods and services that are produced for export. Key initiatives in this respect include the following:

- d. Strengthening of research and development capabilities to create new products and improve existing ones
- e. Establish linkages with the agriculture sector to increase production of value added agricultural commodities
- f. Generally increase the local value added component in national exports
- g. Strengthening of Intellectual Property administration and support to encourage innovation

4.4 MARKET DEVELOPMENT AND EXPANSION

The SLNEDS places great emphasis on development of export markets (i.e. the creation of new markets and expansion of existing ones). The overall market strategies will focus on the following four markets categories:

- 1) **The CSME and regional markets** - Interventions in this market will aim to increase market share and generally to take advantage of the opportunities presented by the creation of the CSME.
- 2) **Proposed FTAA markets** - Interventions in this market will focus on market intelligence, strategic alliance building and response to specific opportunities largely driven by existing bi-lateral trade agreements with prospective FTAA member countries and the ongoing FTAA negotiations.
- 3) **UK and rest of the EU** - Intervention in this market aim to increase penetration and expand product range.
- 4) **Other markets** - Interventions will basically respond to emerging opportunities and strategic alliances through investment promotion

These strategies will be executed through the following key actions:

- Creation of a National Trade and Export Promotion Agency (TEPA) with a National Trade and Export Council as oversight body.
- Strengthening of the capacity of the Ministry of Commerce to be made the National Trade Point and the primary source of support and information on trade and export information.

- Increasing the level of financial resources allocated for export marketing and trade promotion
- Creation of a Trade Information Network that links the various providers of information into a supportive infrastructure.
- Establishment of Freight Export Stations (FES) within close proximity to the air and seaports to increase cargo throughput and to take full advantage of the available transportation.
- Granting of special government concessions and financial guarantee for the introduction of a dedicated shipping service to the leeward Islands or the northern Caribbean in general
- Creation of new loan products and other financing schemes to meet the needs of the export sectors.
- Increasing the efficiency and effectiveness of key institutions involved in trade facilitation.

4.5

POLICY AND LEGISLATIVE SUPPORT

A. The Minister responsible for Commerce and Industry as the Champion of Export

From the initial preparation of the SLNEDS the Ministry with responsibility for Commerce and Industry has been the main advocate and will continue to play this vital role throughout its implementation.

B. Public/Private Sector Partnership

The Ministry responsible for Commerce and Industry and the Saint Lucia Chamber of Commerce, Industry and Agriculture have been the main architects of the SLNEDS. Their joint commitment in preparing the strategy symbolises the shared participation of both sectors and the sense of joint ownership of the strategy. Both institutions will continue to spearhead the joint approach and continued consultation and review by both sectors in the implementation of the SLNEDS. This strong public/private sector partnership will be promoted in the SLNEDS through the various interventions proposed and in the positions taken in the various international trade fora.

C. Macroeconomic stability and economic growth

Government will continue to maintain foreign exchange policies that reduce uncertainties in the exchange rate and to pursue prudent fiscal and monetary policies. Banks will be encouraged to increase support to the export sector by creating special financing arrangements to meet the requirements of export enterprises.

Anticipated increase in banana production as a result of irrigation as well as increased construction and infrastructure developments leading up to the Cricket world Cup events in 2007 will create dynamism in the economy that should infect the exports sectors. The World cup cricket event itself should produce a positive impact on exports performance.

D. Reducing the cost of doing business

Government will continue to create the right policy and institutional framework to improve export competitiveness. The imminent advent of the CSME will likely produce negative impact on exports that are not sufficiently competitive. Interventions to reduce the cost of doing business are particularly effective in this context. The ongoing measures to improve Customs documentation processing by upgrading the ASYCUDA software package is a welcomed initiative as well as the proposal for establishment of Freight Export Stations (FES). In addition, policies must be developed to reduce the existing high cost of utilities faced by domestic manufacturers and service suppliers.

E. Infrastructure Improvements

Transportation is a vital link in the supply chain and Government should address the deficiencies in the existing transportation routes to the northern Caribbean countries through the provision of fiscal incentives to prospective private sector operands. The quality of the local transportation network (roads) as well as other support services such as basic utilities must be of acceptable standards.

F. Legislative Interventions

Government shall intervene to enact legislation to support the growth and development of the priority export sectors. The following specific legislative actions are recommended in the SLNEDS:

- 1) Repeal legislation establishing the SLMB and enact new legislation to create the Trade Export Promotion Agency (TEPA) and establish a National Trade Export Council (NTEC) to oversee it.
- 2) Tax laws need to be altered to allow relief to companies in respect of Share Capital - Preferential Shares
- 3) Amend existing Fiscal Incentives Act and other relevant laws to encourage export growth. For example:
 - Government should also offer carefully crafted incentives to Financial Institutions who tailor products for the export sector.
 - Incentives should be given to persons representing private sector companies or public sector agencies on technical committees established for standards development

- Government should provide incentives for companies which engage in implementing Quality Management Systems

4) Enact legislation to enforce standards

- Architects Registration Act

5) Take necessary measures to establish E - commerce facilitation for exporters

4.6.1 Overview

The network of private and public sector service providers will implement the National Export Development Strategy. However the overarching responsibility for coordination of the strategy implementation process must rest with a specific entity. Best practice demonstrates that this institutional requirement is critical for long-term development of exports.

The following are the main purposes and core functions, which are the essential requirements of an appropriate institutional framework (or response mechanism) that adequately caters for the development of exports in Saint Lucia:

1. Serve as the focal point for exports through advocacy, information dissemination and public education.
2. Undertake policy coordination for export development
3. Coordinate the trade support /export services network
4. Assume overall responsibility for the implementation, monitoring and evaluation of the National Export Development Strategy
5. Undertake future strategic planning for Exports
6. Carry out the function of export promotion /marketing at national level
7. Oversee comprehensive human resource development planning for exports

Although the above requirements are not exhaustive, there is consensus among the Export Strategy Developers that these needs cannot be adequately satisfied through the existing institutional arrangements and profound adjustments are necessary. Several options were considered for design of a suitable framework and the following are the main guidelines adhered to:

- The lead institution should not be expected to directly implement all aspects or programmes within the National Export Strategy but should place emphasis on the overall coordination function.
- Proposed institutional framework should avoid undue increases in the cost of government operations and the creation of additional organizational structures.
- The institutional structure should focus on optimisation of the use of available resources. It should therefore fuse physical and virtual assets to be lean, effective and efficient.
- The scope of activities to be addressed through the institutional arrangements must include both goods and services exports

- There must be sustainable financial provision, including Government budgetary support, internal revenue generation and cost recovery.
- The institutional arrangements must be predicated upon and should demonstrate the importance of public and private sector partnership
- As an essential requirement the institutional mechanisms must foster collaboration among the investment promotion, trade promotion and Tourism marketing agencies.
- The institutional arrangements must be enshrined in legislation to confer the appropriate status and authority to operate.

4.6.2 Outline of the proposed structure and Action Plan

The following are the key elements of the proposed institutional structure:

- Revamp the Saint Lucia Marketing Board (SLMB) and reformation under the new name of The Trade and Export Promotion Agency (TEPA).
- Repeal legislation establishing the SLMB and enact new legislation to create the new national export related entity.
- The new legislation should provide for the creation of **National Export Council** to oversee the operations of the new corporation and to provide policy direction for export development at the national level. A copy of relevant draft legislation for establishment of the TEPA and National Export Council is attached in Attachment IV.

The National Export Council should comprise of representatives from private and public sector agencies in the priority export areas. The Council should therefore serve as a body for co-ordination of policy and the delivery of export related services at the national level.

The following is the recommended composition of the Inaugural National Exports Council:

- Ministry responsible for Agriculture / Agriculture Diversification Agency
- The Ministry responsible for Commerce and Industry
- Saint Lucia Chamber of Commerce
- Saint Lucia Manufacturers Association
- Saint Lucia Bureau of Standards
- Fresh Produce Exporters Association
- Saint Lucia Coalition of Services industries Inc.
- National Development Corporation
- Ministry responsible for External Trade
- Customs and Excise Department

The above recommendation is based on the priorities specified in the current National Export Strategy. Likewise, future Board members should be drawn from any association or league of exporters of either goods or services that is reflective of the national goals and priorities for exports.

4.6.3 National Export Council Secretariat

The TEPA will provide administrative services to enable the Council to perform effectively and thereby serve as a Secretariat. The Secretariat will provide support to the NEC in its day-to-day management.

4.6.4 Organizational Structure of the TEPA

The following staff structure is proposed for the TEPA:

- **CEO (1)**
- **Trade Promotion Officers (2)** – Responsible for export promotion
- **Business Services/Liaison Officers (3)** - responsible for coordination of services to exporters (both existing and potential exporters)
- **Public Relations/Information Officer (1)** – Responsible for public relations and coordination of export relevant information (collection, presentation, dissemination and updating)
- **Administrative Support Staff (5)** (including Accounting and ICT support)

The Ministry responsible for Commerce and Industry, the Saint Lucia Chamber of Commerce, Industry and Agriculture, the Trade and Export Promotion Agency (TEPA) and the National Export Council, shall be the lead agencies for implementation of the SLNEDS. The TEPA under the auspices of the Ministry responsible for Commerce and Industry will be primarily responsible for implementation of the SLNEDS.

The Ministry responsible for Commerce and Industry as the main public sector entity shall maintain overall responsibility for policy guidance and for assurance of the widest possible implementation of the export development programme. Implementation of the SLNEDS requires substantial resources cutting across budget lines for various government agencies and business associations. Supplementary funding support will also have to be sought from local and external sources. The Ministry shall therefore be responsible for co-ordinating government's support for the SLNEDS and for sourcing of funds. It shall also take the lead in developing strong and professional industry associations in policy advocacy, strategy implementation and trade Promotion.

The Chamber of Commerce being the largest private sector organization will take the lead on the sector's behalf. The Chamber shall, advocate and communicate the export promotion programmes and policy initiatives in the SLNEDS.

The National Export Council will play a critical role in coordinating the trade services delivery network and overseeing the operations of the TEPA.

International development agencies, the OECS Trade Support Programme and other OECS institutional departments, as well as relevant regional trade support agencies are sources of supplemental funding to augment the government's resources.

The Ministry of External Affairs and International Trade will also play a critical role in ensuring that the priorities and national interests reflected in the SLNEDS are represented at the various ongoing international trade negotiations.

The NEC will set up a special review committee to be established by the Minister with responsibility for Commerce and Industry and will review the implementation of the SLNEDS on a bi-annual basis. The following is the suggested composition of the SLNEDS Review Committee:

- Ministry responsible for Commerce and Industry
- Ministry of External Affairs
- Ministry of Finance
- St. Lucia Chamber of Commerce Industry and Agriculture
- St. Lucia Manufacturers Association
- Office of Private Sector Relations
- National Economic Council
- Saint Lucia Bureau of standards

The Ministry responsible for Commerce and Industry/TEPA according to the following format will prepare the bi-annual report:

1. **Review of performance targets**
 - Quantitative
 - Qualitative
2. **Review of the SLNEDS Legislative agenda**
3. **Review of the SLEDS Policy Agenda**
4. **Review status of strategy Implementation** – Product Development and Diversification
 - List of interventions implemented
 - List of interventions unimplemented
5. **Review status of strategy Implementation** – Market development and Expansion
 - List of strategies implemented and results
 - List of strategies unimplemented
6. **Review Financial disbursement status**
 - Budget expenditure versus actual

The SLNEDS Review Committee shall set up a feed back mechanism to assess the effectiveness of the Strategy and prepare Annual reports for submission to the Minister of Commerce and Industry.

The results of the bi-annual reviews and Annual Reports shall be used for strategy refinements.

A mid-term review will be conducted by an appointed independent body to be determined by the Committee and the results shall be made available to all stakeholders. General Consultation with all stakeholders will be facilitated at the mid-term review.

ATTACHMENTS

ATACHMENT 1

PRIORITY SECTORS SUMMARIES

Sector	Vision Statement	Competitiveness factors	Priority
Chemicals	To expand the sector through product development and promotion of backward linkages with agriculture	The sector appears t have some competitive advantage in the achievement of high productivity levels	High
Integrated Marketing and Communications	To increase exposure of skills and talents to the international marketplace and to generally improve skills levels	There appears to be some significant degree of competitiveness stemming from the uniqueness and creativeness of local producers	High
Arts and Entertainment	To develop profitable and internationally competitive business enterprises	There appears to be some significant amount of creative talent that is reflected in the uniqueness and high quality of local productions	High
Agriculture <ul style="list-style-type: none"> ▪ Breadfruit ▪ Bananas ▪ Cocoa ▪ Cut flowers ▪ Hot peppers ▪ Julie Mango ▪ Plantain ▪ Yams ▪ Fisheries Products 	To promote globally competitive, export oriented agriculture	Availability of factors of production and natural advantages to meet critical supply requirements of other countries.	High
Beverages	To maintain global competitiveness and expand market share	Already have existing some globally competitive firms in this sector	High
Food	To enhance competitiveness through product development and technology upgrading	Availability of firms that are already internationally competitive and producing unique or differentiated products	High
Architecture	To increase exposure of architectural firms to the international marketplace and to generally improve skills levels	Ability to respond quickly to demands and upgrading of expertise	High

Sector	Vision Statement	Competitiveness factors	Priority
Training Services <ul style="list-style-type: none"> ▪ Nursing ▪ Language Skills/ Translation 	To develop a well managed Export sector and increase the benefits to the national economy To exploit emerging export opportunities and develop new markets for services	To develop a well managed Export sector and increase the benefits to the national economy National policy coordination and the institution of international standards are key Border - In considerations	High
Information Technology	To expand exports regionally and internationally	To expand exports regionally and internationally Though exports potential appears to be high there is need to better define the sector and for policy coordination to avoid attrition of skilled personnel	High
Handicraft <ul style="list-style-type: none"> ▪ Ceramics ▪ Pottery 	To expand exports in select areas that have significant competitive advantage, specifically; ceramics and pottery	High quality of product available in those specific areas with comparative advantages in terms of uniqueness	High
Tourism			
Sporting			
Cross Sector	Vision Statement	Remarks	Priority
Competency Development	To ensure adequate skills and competency for achievement of the SLNEDS goals	Skills development is a critical need for the SLNEDS	High
Transportation	To ensure transportation services are available, cost effective and cost effective	Transportation services must be adequately managed to ensure that available services are efficiently utilized	High
Trade Financing	To ensure that adequate financing is available to the export sectors	Existing financing arrangements must be broadened and transformed to meet sector needs	High
Trade Information*	To create a comprehensive, efficient and timely information network	Information is the critical requirement for trade facilitation and must therefore be properly managed	High
Quality Management*	To ensure consistent international standards of exports	Standards and quality are essential components of international competitiveness and must therefore be assured	High
Packaging*	To ensure exports packaging meet international requirements	Packaging forms a critical part marketing and standards requirements and are often the subject of TBT measures. It is therefore a critical variable in international trade	High

AGRICULTURE SECTOR EXPORT STRATEGY**1. Sector Level****Overall Objectives of the Sector Export Strategy**

- To increase the volume and enhance value of agricultural exports;
- Increase access to the markets in the CSME and the neighbouring French Caribbean Departments and countries.
- To expand and effectively diversify the commercial agriculture base in the country
- Encourage the growth and export of value added agricultural commodities
- To enhance the international competitiveness of agric- enterprises

The Rationale Behind These Objectives

Although Saint Lucia has been vigorously pursuing agriculture diversification for the past decade or more the composition of its agricultural exports has remained centred on bananas and a few non- traditional crops. It is evident that with exception of banana farming and to a lesser extent cocoa and coconuts, the existing production systems are geared towards subsistence agriculture and not towards commercial production for the exports.

The export strategy seeks to identify and support those sub- sectors that have significant comparative advantages and market demand that could sustain

commercial production at the small enterprise level. The strategy therefore makes provision for strengthening technical assistance to agric-enterprises to improve their export competitiveness. Improvement in standards and quality of production and development and expansion of markets within the proposed CSME are priority issues to be addressed within the strategy.

Overall Plan of Action

AGRICULTURAL SECTOR

BORDER ISSUES

CONCERN	ISSUES	STRATEGIES	TIME TABLE	RESPONSIBLE ORGANIZATIONS
Standards upgrading and quality assurance	There is a need for up to date and timely market intelligence and general trade information	Facilitate access to information re: Specific supplier requirements and restrictions within export markets (incl. non-technical, trade, port issues, notifications SPS, TBT, SCM [subsidies and countervailing measures])	2004-06	SLBS, MEA; MAFF
Financing of exports	Several trade financing problems restrict trade such as: <ul style="list-style-type: none"> ■ Deferred payments ■ Insurance coverage 	Seek mechanisms to facilitate availability of export credit, importer credit worthiness (collections of debt)	2004-05	ADA, MAFF; financing institutions
		Seek mechanisms to reduce default on payment for goods to exporters by importers	2004-05	ADA; private sector
		Source appropriate insurance coverage for produce during storage, shipping (transit) and handling	2004-05	ADA; insurance companies; private sector
Transport & distribution	There is a high rate of spoilage/ damage and eventual loss of value arising from mishandling of commodities and inadequate packaging	Installation of appropriate storage facilities at air and seaports	2005-08	ADA, MAFF; MCW; SLASPA
		Seek measures and strategies to enhance reliability of distributional channels (information, overland transport cost)	Continuous	ADA; private sector
		Source reliable and cost-effective inter and extra-regional shipping	2004-06	ADA; MEA; MC; private sector
Long processing time at Ports to Export Goods	Lack of comprehensive knowledge of customs and export procedures by stakeholders especially small volume exporters	Establishment of two freight exports stations (FES) in Castries and Vieux Fort. Located within one-mile radius of the airports and seaports.	(18 months)	SLASPA

BORDER - IN ISSUES

CONCERN	ISSUES	STRATEGIES	TIME TABLE	RESPONSIBLE ORGANIZATIONS
Standards upgrading and quality assurance	There is need for standards implementation at farm and enterprise level	Implementation of guidelines and standards (Good Agric Practices, HAACP), certification of industries	continuous	SLBS, MAFF
		Continued strengthening and developing capacity in certification systems and structures	continuous	SLBS, IICA; MAFF
Production	There is need to increase production both in terms if yields and brining idle lands into production to meeting existing export quotas and meet unsatisfied domestic demand	Facilitating expansion of production and organization of the production base along commodity lines with respect to appropriate land allocation within suitable agro-ecological zones	2004-05	MAFF, CARDI
		Developing appropriate institutional structures to facilitate bulk procurement of inputs	2004-06	MAFF, SLAA, ADA; MC; private sector
		Adoption of industrial approach to agri-enterprise development	continuous	MAFF, SEDU, ADA; private sector
		Regularization of rural land tenure systems to address desegregation of production distribution	2004-05	MAFF; AGC; MPD
		Strengthen mechanisms to monitor field production (also monitoring marine stocks) and rapid dissemination of data to farmers, fishers	2004-05	ADA, MAFF
		Enhancing field production capacity particularly for most lucrative export commodities	continuous	ADA, MAFF; private sector
		Strengthen adoption of good agricultural field practices to enhance efficiencies and competitiveness	continuous	MAFF, ADA, SLBS, IICA, CARDI

CONCERN	ISSUES	STRATEGIES	TIME TABLE	RESPONSIBLE ORGANIZATIONS
		Facilitate cooperative mode of production to facilitate economies of scale - land consolidation; clustering of functions e.g. exporting, input procurement - encourage formation of farmer cooperatives	continuous	ADA; MAFF; MC; CCIA; MPD; private sector
		Foster investment by the private sector in procurement and supply of agricultural inputs at reasonable cost	Continuous	ADA; MC; private sector
Information	Information is need to stream production with demand and to exploit emerging market opportunities	Enhance production and market information systems (market info: who is producing, where, volumes, trends, shipping)	2004-05	ADA, MAFF; private sector
		Establishment of national information clearinghouse for technical information (including product specifications, WTO TBT, SPS, SCM notifications)	2004-05	MAFF; MEA; MC
Post harvest technology	More efficient/ cost effective measures for post harvest management of crops	Installation of certified pack house facilities	2004-09	ADA, MAFF
		Installation of chilled storage facilities at ports of exit	2005-07	ADA, MAFF; SLASPA
		Development and implementation of proper post-harvest handling processes (treatments, packing, storage)	continuous	SLBS; MAFF; private sector
Research & Development	There is need for targeted research and development for improved crop production and for development of value added agricultural products	Strengthening and enhanced support to the introduction of appropriate technologies and installation of Good Agricultural and Manufacturing Practices based on established standards.	continuous	MAFF, IICA, SLBS; private sector

CONCERN	ISSUES	STRATEGIES	TIME TABLE	RESPONSIBLE ORGANIZATIONS
		Seek to enhance research and development efforts for key commodities	2005-08	MAFF, CARDI
		Strengthen human resource capacity in agri-business development to foster commercialization of the agricultural sector	continuous	ADA, MAFF; ME; SALCC; private sector
Finance	It is generally difficult for farmers to raise financing for their operations, commercial banks requirements are generally too steep	Develop more appropriate credit/financing mechanisms particularly to suit small start-up enterprises. Possible options include the re-constitution of a national development bank, formation of an amalgamated agricultural credit union	2004-05	ADA, MAFF, financial institutions, CCIA
Institutional arrangements	Mechanisms are needed to forge collaboration between public and private sector in agricultural planning at sector and national levels	Develop a more integrated approach to planning for development across all sectors, particularly those closely linked to agri-business development. Need to consolidate efforts amongst related agencies	2005-08	Needs to be handled at highest levels of gov't; lead agencies likely Min Finance (Sustainable Development Unit of MPD now heading related initiative)
		Clearly define roles and responsibilities among stakeholders	2004-05	MAFF
		Ensure existence/enhancement of relevant data collection and analysis systems to support national policy formulation, planning across all sectors	2004-06	MAFF, ADA; various gov't agencies; particularly Min Finance
		Foster a more value-added/industrial approach to agricultural development;	continuous	MAFF, ADA; MC; SLBS

CONCERN	ISSUES	STRATEGIES	TIME TABLE	RESPONSIBLE ORGANIZATIONS
		expand from the predominant primary production mode		
		Seek to streamline administrative / bureaucratic procedures associated with conducting business	2004-06	MAFF, relevant gov't agencies

BORDER – OUT ISSUES

CONCERN	ISSUES	STRATEGIES	TIME TABLE	RESPONSIBLE ORGANIZATIONS
Marketing	Marketing Structures are needed to facilitate export trade	Facilitate entry in e-commerce with respect to trade in commodities through installation of the required structures and adaptation of business practices	2005-10	MAFF, ADA, financial institutions, CCIA
		Strengthen market intelligence and information dissemination amongst producers, traders and buyers	continuous	ADA; CARDI (via CAMID initiative)
		Active development and promotion of marketing strategies for key commodities	continuous	ADA; private sector
		Seek methods to generate financing for market promotion	continuous	ADA, MAFF; private sector
		Development of premium 'branded' products (including special value-added commodities) that command premium prices	2005-08	ADA; MAFF; private sector
		Increase efforts to penetrate regional markets where opportunity exists	continuous	ADA; MEA; private sector
		Develop adaptation strategies for agri-businesses in advance of impending tariffication, dismantling of trade regime (quota system)	2004-06	MC; MEA; MAFF; ADA

DEVELOPMENT ISSUES

CONCERN	ISSUES	STRATEGIES	TIME TABLE	RESPONSIBLE ORGANIZATIONS
Social issues	High incidence of predial larceny	Seek effective measures to curb occurrence of theft of agricultural produce through enforcement and regulation of trade via licensing regimes	2004-09	MAFF; MHA; AGC; MST; communities
	Small size of farm holdings and business operation prohibit the achievement of economies of scale	Foster greater cooperation between local competitors and stakeholders in common areas of interest to achieve economies of scale	continuous	ADA, MAFF, CCIA; MC; private sector
	Generally negative perception of and disinclination towards agriculture especially among the youth	Strengthen public education and outreach programmes to change negative perceptions on agriculture	continuous	MAFF; ME; MST; ADA
	Due to ageing farming population it is important and necessary to recruit and equip new entrants into the sector	Develop comprehensive programme to expand recruitment of youth into agri-business enterprises (inclusive of requisite support services)	2004-05	MAFF, ADA; ME; MC

ARCHITECTURE SERVICES SECTOR EXPORT STRATEGY

2. Sector Level

Overall Objectives of the Sector Export Strategy

- To develop an orientation toward exports among operators in the sector
- To increase the cadre of skilled personnel within the sector
- To create a strong institutional base within the sector for service delivery, accreditation, capacity building etc.
- To establish proper standards for service delivery and set legal requirements for such services within the development control laws and the National Building code

The Rationale Behind These Objectives

One of the key issues affecting the architectural services sector has been the lack of a legally constituted professional body to oversee the development of the sector. At present there are no legal provisions or other provisions to regulate the sector and as such quality and standards are not adhered to. At the local level there are not incentives for business development in this area and or recognition of the value of these services.

Due to the absence of regulations and standards Draftsmen are accorded equal status as Architects in terms of the production and certification of plans and as a result there is there is great inconsistency in the quality of output from the sector. For example building plans submitted to the development control Authority are not required to be certified by an Architect.

Finally the sector has hitherto been focused on the domestic market but with the advent of the CSME and the further liberalization of international trade in services there are opportunities that can and should be harnessed in the export markets. The strategy therefore aims perpetuate the focus of service providers toward export and encourage the acquisition of the necessary skills that would ensure that they have a comparative advantage and are competitive in that regard.

Overall Plan of Action

ARCHITECTURE SERVICES SECTOR

BORDER-IN-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Formulation of a legal framework	Registration and certification of qualified Architects; Recognition of the Saint Lucia Institute of Architects	(a) Enactment of the Architects Registration Act (b) Establishment of a Registration Board (c) Formulation of quality standards (d) Establishment of affiliations with internationally recognized institutions	2004-2005	St. Lucia Institute of Architects
Opportunities to bid on national projects	Stringent conditions imposed by international funding organizations - selection of firm(s) to carry out projects	(a) Formulation of strategic alliances with regional and international firms. (b) Introduction of competition as a mechanism for selection of firms on public funded projects	Continuous	Architects, Government agencies, Tenders Board
Opportunities to showcase local talent	Granting of most major contracts/commissions to international firms have resulted in limited opportunities to increase the skill set and level of experience of Architects as well as showcase local talent	(a) Local exhibitions organised by the Saint Lucia Institute of Architects (b) Targeting local financial and mortgage companies with the aim of marketing services offered by Architects (c) Development of an active public relations arm/component of the St. Lucia Institute of Architects	Continuous	St. Lucia Institute of Architects
Few individuals opting to study architecture	Limited job opportunities for qualified graduates; Absence of an apprentice	(a) Enactment of the Architects Registration Act	Continuous	St. Lucia Institute of Architects

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	scheme which can help facilitate transfer of knowledge as well as registration of young apprentice(s)	(b) Public education activities (e.g. presentations on the field of Architecture at schools) (b) Apprenticeship scheme (c) Legislation (specifying graduating levels to full registration) (d) Granting of opportunities for registration to persons who may not have had formal academic training (e) Inclusion of architecture on national priority training list		
Integration into the international market	Local firms need to acquire knowledge and skills to be able to work effectively with international firms	Organize training (workshops and seminars) in areas such as: (a) Alliance Building (b) International Procurement Guidelines	2005	COC St. Lucia Institute of Architects OPSR

BORDER-OUT-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Market Access	Research on potential markets (regionally & internationally); Meeting required quality standards and prior work experience required with regards specialized projects	(a) Develop alliances with external architecture firms (b) Work with members to meet minimum quality standards	Continuous	St. Lucia Institute of Architects; St. Lucia Bureau of Standards
Access to market information and intelligence	Absence of a market intelligence network to provide information on opportunities in regional and international markets	(a) Access to information facilitated by the Institute and government organisations/agencies	Continuous	St. Lucia Institute of Architects, Government Agencies
Promotion of Architectural achievements, skills and services	Lack of awareness and appreciation of architecture services and accomplishments	(a) Inclusion of architectural services in international trade promotions and business missions (b) Development of appropriate	2005 Onwards	Ministry of Commerce, Proposed Trade Marketing Agency, Chamber of Commerce

		promotional materials for showcasing the sector		St. Lucia Institute of Architects
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ARTS AND ENTERTAINMENT SECTOR EXPORT STRATEGY

3. Sector Level

Overall Objectives of the Sector Export Strategy

- To increase the contribution of arts and entertainment to the national economy (through foreign exchange earnings, employment etc.);
- Increase access / penetration into the markets in the CSME and the extra regional markets;
- To bring recognition to arts and entertainment as an industry and encourage entrepreneurship;
- To improve output quality and standards and generally enhance the international competitiveness of the sector

The Rationale Behind These Objectives

Saint Lucia has unique arts and entertainment modalities and expressions that can be translated into comparative advantages in the international trade arena. The sector's quality of output is also highly recognized especially in the literary and performing arts.

The sector is therefore challenged to create mechanisms for transforming these assets into tradable goods and services that will promote economic growth and impact rural and poor communities in Saint Lucia. The Strategy identifies three priority areas Music, Events Management and Carnival Arts as having the greatest export potential at present.

The strategy focuses on those specific segments of the industry that show the greatest growth potential and proposes to impact these areas both directly and indirectly by strengthening linkages with other export sectors such as Tourism and Integrated Marketing and Communication

Overall Plan of Action

ARTS AND ENTERTAINMENT SECTOR

BORDER ISSUES

CONCERN	ISSUE	STRATEGY	TIME-TABLE	RESPONSIBLE ORG
MUSIC PRODUCT				
(A) Product				
Piracy	Proper enforcement of laws governing piracy at the border i.e. By Customs department	Form Music Writers and Performers Association to bring National attention to the industry. They will establish a relationship with the Police and Customs to enforce piracy and bootlegging laws	Immediate	CDF, HMS, Producers, Writers, Promoters, Musicians, Performers, RSLPF
Restrictions on Imports	High duties are incurred from the import of CD's and other musical instruments	Removal or reduction of import duties on music hardware and software	2005	CDF, Min of Commerce

BORDER - IN ISSUES

CONCERN	ISSUE	STRATEGY	TIME-TABLE	RESPONSIBLE ORG
MUSIC PRODUCT				
(A) Product				
Marketing the Product	Marketing skills are very poor	Hold local fairs and invite international and regional players to see the products of locals. Cruise ship industry should be targeted to view local performances and purchase copies of local production. Musicians and Performers make themselves	2005-2006 2005	CDF, HMS, FRC, Musicians, NDC, SLTB

CONCERN	ISSUE	STRATEGY	TIME-TABLE	RESPONSIBLE ORG
		visible at major Trade Fairs related to music e.g. MIDEM Linkages should be formed with the existing distributors and marketers	2006	
Intellectual Property Rights - Piracy	<ul style="list-style-type: none"> ▪ The laws of piracy needs to be properly enforced ▪ Increased education on the importance of intellectual property rights ▪ Streamline administrative procedures for securing Intellectual property rights 	<ul style="list-style-type: none"> ▪ Form Music, Writers and Performers Association to bring National attention to the industry. They will establish a relationship with the Police to enforce piracy and bootlegging laws. ▪ Increase public education on the negative impact of piracy 	Immediate	CDF, HMS, Producers, Writers, Promoters, Musicians, Performers, RSLPF, GIS
Local Consumption	Local music is not getting enough airplay on local stations and also not being featured enough during national festivals and other shows.	Higher profile of local artiste in Jazz Festival and other similar events. Encourage airplay of local music on electronic media (local radio and television stations) through specific requirements in licences granted.	2005	Tourist Board, CDF, HMS, MOI
Education	The public is not being educated on issues of copyright and the implications for local artiste	Public Awareness Programme will be started using the TV and Radio as well as print media. Website should be established	Immediately	CDF, HMS, NTN, IPO
Lack of recognition as an Industry	The music industry suffers from a lack of recognition as an industry	An analysis of the sector should be done along with the above	Immediately	IPO, Min of Culture, HMS
(B) The Artiste				
Lack of proper technique	Songwriters, musicians and performers are not properly trained technically.	Workshops, Symposiums and regular Trade Fairs will be held.	End 2006	CDF, HMS, IPO, OPSR, New Association
Low profile locally and	Local artiste are not being profiled locally and regionally	Establish an Annual Awards Programme	2005	CDF, HMS, New Association, Min

CONCERN	ISSUE	STRATEGY	TIME-TABLE	RESPONSIBLE ORG
regionally				Culture
Poor Management	Songwriters, musicians and performers lack management skills.	Workshops and Seminars will be held to train them in managing their businesses Music Business Management should be included on Government's priority list	2005-2006	HMS, Chamber of Commerce, New Association, MOE
Music skills must be made more prevalent and diversified	Larger proportion of the population should be exposed and equipped in music and other aspects of the arts	Introduction and upgrading of music curricula in schools Introduction of Schools music competition and awards	2005	Ministry of Education
EVENTS MANAGEMENT				
Inadequate venues	There are no fully equipped or adequately serviced venues for larger events. Cost of production are consequently higher, returns low and risk high	Establish new venues via incentives to the Private Sector or provide incentives to upgrade existing ones	2006-2007	Min of Commerce, Min of Tourism, Tourist Board, Private sector
Lack of Incentives	Sector is not recognized as an export sector and no special incentives are given to invest in quality enhancing equipment, infrastructure and HR	Extend the definition of the Tourism Industry to include Arts/Entertainment and bring them under the Tourism Incentive Act.	2005-2006	Min of Commerce Min of Tourism
Lack of Technically Skilled Persons	Sector is Skills dependent therefore quality of output requires quality HRD. Formal and informal training required	Develop formal programmers in schools. Mainstream instead of Extra Curriculum. Identify as it is in the list of priority. Establish links with Professional Orgs. abroad to explore training opportunities. Training should lower all aspects of the industry both formal and informal	2006	Min of Education, HMS, CDF, IPO
Availability of Support Services	Clustering is required to deepen and broaden the sectors capacity	Conduct of a detailed assessment of arts and entertainment industry to determine specific needs of enterprises and groups and devise the best strategies for service delivery in all geographic areas	2005	Min of Commerce HMS,

CONCERN	ISSUE	STRATEGY	TIME-TABLE	RESPONSIBLE ORG
Links to Tourism	It is difficult at present to disaggregate the contribution of the sector from Tourism and other tourism related services for accounting purposes and for monitoring and evaluation	Statistics Department to develop independent measure of performance of the sector's contribution to the GDP. Development of appropriate instruments for data gathering and recording statistics on the sector	2005	Ministry of Finance / Statistics Department
CARIVAL ARTS				
Availability of Products	Very little material available locally and the transaction cost are very high to bring it into the country. This in turn makes the final product costs high	Concessions to lower the costs of importing raw materials	2005	CDF, Min of Culture, Min of Commerce
Lack of Incentives	Many band leaders are dissatisfied with the lack of incentives to continue to play mass	There should be greater and bigger prizes offered to participants of Carnival	2005	CDF, Sponsors
Market standards Low	Both demand and supply standards need to be driven up raising the quality, expectations, output and impact. This will position St Lucian producers to compete in regional and international markets	Workshops and seminars need to be organized to deal with content, train musicians, designers, creative and technical people A Carnival Professionals Association needs to be formed and they should meet throughout the year. They should be responsible for the long term planning of the event	2005-2006	CDF, HMS
Product Quality range	By Products/ spin offs need to be developed	A marketing consultant should assess the sector and recommend possible profitable components as tapes, CD's, DVD's	2005	Marketing consultant, Min of Commerce, OPSR
Business Structures and Training	There is lack of training by practitioners since many are not established entities	Business training should be given to practitioners. Others will be given technical/ skills training to develop latent talent, diversify inputs and outputs and to improve quality	2005-2006	NRDF, Min of Commerce, SEDU, CDF

BORDER - OUT ISSUES

DEVELOPMENT ISSUES

CONCERN	ISSUE	STRATEGY	TIME-TABLE	RESPONSIBLE ORG
MUSIC PRODUCT, EVENT MANAGEMENT, CARNIVAL ARTS				
Piracy	Proper enforcement of laws governing piracy at the border i.e. By Customs department	Form Music, Writers and Performers Association to bring National attention to the industry. They will establish a relationship with the Police and Customs to enforce piracy and bootlegging laws	Immediate	CDF, HMS, Producers, Writers, Promoters, Musicians, Performers, RSLPF
Restrictions on Imports	High duties are incurred from the import of CD's and other musical instruments	Removal or reduction of import duties on music hardware and software	2005	CDF, Min of Commerce

BEVERAGE SECTOR EXPORT STRATEGY

4. Sector Level

Overall Objectives of the Sector Export Strategy

- Implement continuous improvements to achieve lower production costs and improving efficiencies, in order to become more competitive.
- Partner with Government in developing the policies to achieve export growth.
- Defend and grow the local market as a foundation for developing the financial resources to support export development.
- Identify Export Opportunities and target those opportunities to achieve growth in exports.
- Achieve levels of standards in all aspects of production, packaging and product required to meet international demands of quality.

The Rationale Behind These Objectives

The beverage sector as defined in the SLNEDS includes both alcoholic, non-alcoholic beverages and water. This sector is characterized by highly heterogeneous products and as such one of the major issues confronting the sector is the need for continuous product differentiation and upgrading.

The sector is also faced with intense competition that dictates the constant pursuit of efficiency and standards survival and growth. There is a susceptibility of the sector to the application of Technical Barriers to Trade (TBT), and as such the sector strategic interventions must be underpinned by strong international trade policy and support measures.

Overall Plan of Action

BEVERAGE SECTOR

BORDER ISSUES

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
Export Documentation procedures	Facilitation of exports- ability for expedited processing of documents and reduction in bureaucracy (no need for 24 hr notice in regional shipments, but still required by Customs)	2005	Customs/FES	1
Outbound cargo shipping	Facilitation of cost effective shipping methods for small shipments (L/C/L)	2005	Exporters to consolidate/SLASPA/FES	1
MOU - Customs & Private Sector Organizations	Resources provided to facilitate the Implementation of the Customs MOU which will have significant cost reductions and cut down on bureaucracy for legitimate businesses in the sector	2004	Min Finance, Customs, SMA, COC	1
	Greater emphasis in the SMA's MOU to facilitate exports	2004	Customs/Ministry of Finance/SMA	3
	A procedure needs to be put in place to expedite same day delivery of urgently needed items, with customs processing to follow.	2004	Customs/Shipping firms (Fed Ex, DHL)	2
Customs incentives geared towards revenue collection, rather than trade facilitation	Retrain/sensitize Customs officials to the importance of exporters in the overall economy.	2005	Customs, Private Sector, Min of Finance	2
	Have procedure of dialog with Customs to ensure facilitation of exports is achieved	2004	Customs, Private Sector	1
Facilitation of imports of raw materials and parts	Procedure for permitting expedited clearance of urgently required items for local Manufacturers	2004	Customs, Ministry of Trade, Ministry of Finance (MOU)	1

BORDER – IN ISSUES

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
High Energy Costs impacting on cost of Production	Influence Government Policy towards reduction of electrical costs for Industry	2004-2005	SMA/COC/SLHTA- all private sector organizations	7
	Reduce cost of energy to commercial & industrial sectors	2004-2005	Ministry of Commerce, Government of SLU/LUCELEC	1
	Sharing costs on 3 phase installation	2004-2005	LUCELEC	8
	Energy Audits on individual firms & businesses - National Energy Council - Educating all electricity users on cost reduction techniques	2004-2005	Individual firms, GIS, Ministry of Consumer Affairs, Ministry of Commerce	5
	Undertake a study to explore alternative price structures which are more favourable to industry, with objective towards introducing more favourable prices	2004-2005	Government of St Lucia	
	Explore alternative energy sources	2004-2005	Min. of Planning	4
	Benchmark LUCELEC against other suppliers of the same service in other markets to ensure it is operating in the most efficient manner, and that real costs are passed on to the consumers	2004-2005	Access to information from CARILEC - Min. of Planning	9
	Tax credits for capital investments which result in reduction of energy costs	2004-2005	Min of Finance/ Min of Commerce	3
	Freedom of movement of technical people (Energy/Electrical expertise)	2004-2005	CSME - Labour	6
	Legislation to allow investment in energy saving devices and alternative energy sources	2004-2005	Min of Finance/Min of Commerce/ Min of Justice	10

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
	Discounts on energy consumption for commercial & industry sectors- with emphasis towards credits for exporting firms or export volumes	2004-2005	LUCELEC	2
Buy Local	Continued education and support of locally produced products	2004- on going	SMA, COC, GIS, Min of Commerce, OPSR, NAO	2
	Ongoing campaign to strengthen support for locally manufactured goods	2004- on going	SMA	1
Statistical Data	ASCUDA ++ Implementation at Customs	2004/5	Customs	1
	Timely and accurate data from Customs to Statistics for dissemination	2005	Customs, Min of Finance - statistics, SMA and other private sector organizations, individual businesses to ensure timely provision of data	2
Customs Facilitation	Develop a procedure through which the Customs Department will ensure that all certificates of origin are signed by the appropriate officer	2004 - ongoing		
	Clarity in product tariff classification - as they relate to statistical categories	2005	Customs	4
	Up to date figures for imports/exports and production figures available to Private Sector - by website, or other media	2005	Min of Commerce, Min of Finance (statistics)	3
Human Resources/Skills & Productivity Development	Provision of a broader base of technical/other training within the Local Education system	2005 and continuing Long Term	Min of Education	5
	Freedom of movement of technical people	2005/6	CSME - Labour	6
	Creation of a Skills pool	2004, on going	Min of Education	1

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
	Information on trained Saint Lucians living abroad, as well as a database of locally trained individuals	2005	OPSR, overseas consulate & Embassies, Min of Labour, Min of Foreign Affairs	3
	Incentives for companies to train staff members with recognized institutions	2004	Min of Finance	2
	Assessments of the training needs of Industry and the tailoring of training programmes offered in the Education Institutions to meet those gaps in employment skills	2005- on-going	Min of Education, NRDF, Private Sector Org., NSDC	4
Standards & Quality Control Labs	Training of Individuals within organizations in QS procedures and Certification	2004	Min of Education, SLBS/Ministry of Commerce, Private Sector Organizations	1
	Up to date information on changes in standards which apply to the export products, within export markets which exporters will need to be aware of to ensure ability to comply with those standards	2004 and on-going	SLBS, Min of Commerce	2
	Local laboratory/ies capable of certifying products to enable our products to be verified as meeting standards of other countries	2005	SLBS, Min of Health	3
Business Ethics	Business Ethics taught by private sector organizations, and Secondary schools, A levels, etc-	2005	Min of Education, SMA, other Private sector orgs.	2
	Create an International reputation as conforming to good business ethics	2005 and onwards	Government of St Lucia & Private Sector Organizations (Tourist Board, NDC)	3
	Government awareness programme to promote good business practices	2004		1

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
Crime's impact on cost of business	Increased provision of security (supporting the growth of security services etc)	2004	Ministry of Home Affairs, Min of Commerce	1
Internet Commerce capability	Development of infrastructure to facilitate e-commerce for sector exports	2005	Min of Communications	1
	On- line processing of credit card purchases	2005	Min of Finance	2
R & D	Development of research by local students or facility/ies to tie into the needs of industry	2005	Min of Education/Min of Agriculture, NCSTD	2
	Access to new developments or research done regionally or internationally, which can positively impact industry	2005	Min of Education, NCSTD	1
Government in Partnership with sector	Proactive involvement by the Government of Saint Lucia in providing resources to support exporters	2004	Min of FA, Min of Commerce,	3
	Export Promotion Unit of Government	2004	New branch of government, Min Commerce	2
	Views of Public Sector to confirm and support the granting of available resources for the benefit of the sector	2004	SMA, New Export Association, OPSR, Ministries of Finance & Commerce	1
	Development of an Export Association	2005	Private & Public Sector Representatives	4
	Views of Private Sector to be considered in development of International Trade agreements	2005	Min of Trade, Min of Foreign Affairs	5
	Train private sector leaders in Trade Matters	2005	Min of FA, Min of Commerce, Private Sector	

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
	Establish and Implement a method of obtaining Private Sector input in negotiating Trade Agreements	2005 - onwards	All Ministries, All Public Sector Organizations and Firms	6
Capacity Development	Funding of In-firm Interventions to benchmark firms	2004	OPSR, Other financial sources, consultancies	1
	Provision of SWOT Analysis, Market Analysis, etc.	2004	OPSR, Private Consultants	2
	Funding for Capital Investment geared towards increasing production capacity	2005	OPSR, Financial Institutions, Ministry of Finance	4
	Clustering in sectors	2005	SMA, Private Sector groups	5
	Encouragement of the implementation of better technologies	2004	SMA, COC, SLBS, OPSR, Min. of Finance	3
Fiscal Incentives	Clear policy for obtaining fiscal incentives, and fair & transparent application of those throughout sector	2005	Min of Commerce, Min of Finance	1
	Items covered by S.I not subject to Customs interpretation	2005	Customs, Min of Trade	2
Interest Rates - Industrial Finance	Pressure on Financial Institutions to apply competitive rates	2005	ECCB/ CDB/ SMA & Private Organizations	1
	Institutions in receipt of grant funding having requirement to provide such grant funding to the targeted recipients in a reasonably accessible manner	2005	Financial Institutions/Ministry of Finance	3
Local Banking Sector	Competitive interest rates driven by policies to influence private sector	2005	ECCB/ CDB	2
Collection of Bad Debts	Enforceable measures to collection of bad debts- ability to collect against assets, after judgment	2004	Min of Justice,	1
	Support for new Credit bureau	2005	Public & Private Sector Groups	2
Sugar sold as raw material to beverage	Allow direct importation for use as raw material	2004	Price Control	1

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
producers at non-competitive cost				
Increase Knowledge and application of Intellectual Property Rights legislation	<ul style="list-style-type: none"> ▪ Increased education on the importance of intellectual property rights ▪ Streamline administrative procedures for securing Intellectual property rights 	2005 and onward	Ministry of Commerce Ministry of Legal Affairs	

BORDER – OUT ISSUES

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
Regulatory Data in External Markets	SLBS to have access to and ability to provide standards data to exporters for export markets	2005	SLBS, Ministry of Commerce, Ministry of Finance	1
	Provision of service to exporters which can provide the relevant data for entering external markets as relates to health & safety, prior notice, labeling, product, documentary, or other regulations	2005	NDC/TEPA/FES/Other Government Agencies with access to relevant data	2
Market information, Contacts and leads	Embassies, consulates, or export promotion agency, NDC officers to collect market intelligence for and provide other support export products, on request from sector, or based on know exports	2004	Min of Foreign Affairs, NDC	1

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
Image Building National branding	Facilitation of access to market research, funding for market research for firms	2004	OPSR, Ministry of Finance, Ministry of Commerce	2
	St Lucia - National Branding for up market image will benefit all exporters	2004	Min Tourism, SLTB, All private sector entities, SLBS	2
	Inculcating a culture of friendliness, quality service, values and productivity		Min of Education, GIS	1
Trade Finance, export insurance & guarantee	Facilitation of cost effective financial guarantees, or export credit.	2005	ECCB, Min of Finance	
Coordination of Exports	Identification of exporters & database created to facilitate joint shipments	2004	SMA, COC - any exporters association	
Promotional Support	Sourcing & providing resources for Exporters to attend trade fairs, trade missions, exhibitions, etc.	2004	OPSR, NAO, SMA	
Subsidies in other markets	Tariffication which equalize or ensure competitiveness of sector products	2005	Ministry of FA, Ministry of Commerce,	
Market Spends	Tax Credit on export spends	2005	Min Finance	2
	Allowance given to firms on export development	2005	Min Finance	1
Tax Barriers	Government to apply a strategy of setting taxes which benefit the exporters products within the terms of it's international obligations	2005 and onwards	Min Finance	
External Governments in league with private sector	Beverage sector working closely with government in setting	2005	All Ministries, All Public Sector Organizations and Firms	

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
	policy (development, trade, tariff rates, taxes, etc)			
CSME/WTO/FTAA and other Trade agreements	Provision of similar subsidies or the elimination of non-tariff trade barriers & subsidies in all other markets	2005-2006	All parties involved	
Market Diversification	Focus on those markets which have benefit - Key Market Development	2004	SMA, COC, and Individual Firms	1
	Joint distribution agreements	2005	SMA, COC, and Individual Firms	3
	Sharing Market Intelligence, Networking to the benefit of all-sharing data from Trade Missions and other events	2004	SMA, COC, and Individual Firms	2

DEVELOPMENT ISSUES

CONCERN	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATIONS	Priority within Concern Heading
Inadequate supplies of sea moss for beverage production	Development of a programme for expansion of sea moss cultivation in selected poor communities	Immediately	Ministry of Agriculture	

Beverage Sector - Overall Priority of Concern	
Fiscal Incentives	1
High Energy Costs impacting on cost of Production	2
Human Resources/Skills & Productivity Development	3
Capacity Development	4
Promotional Support	5
Government in Partnership with sector	6
Market Spends	7
Sugar sold as raw material to beverage producers at non-competitive cost	8
Trade Finance, export insurance & guarantee	9
Interest Rates - Industrial Finance	10
Local Banking Sector	11
Standards & Quality Control Labs	12
R & D	13
Export Documentation procedures	14
Tax Barriers	15
Regulatory Data in External Markets	16
Outbound cargo shipping	17
Market information, Contacts and leads	18
Coordination of Exports	19
Facilitation of imports of raw materials and parts	20
Internet Commerce capability	21
External Governments in league with private sector	22
Market Diversification	23
MOU – Customs & Private Sector Organizations	24
Customs incentives geared towards revenue collection, rather than trade facilitation	25
Statistical Data	26
Subsidies in other markets	28
CSME/WTO/FTAA and other Trade agreements	29
Image Building National branding	30
Buy Local	31
Business Ethics	32
Crime's impact on cost of business	33
Collection of Bad Debts	34

CHEMICAL SECTOR EXPORT STRATEGY

5. Sector Level

Overall Objectives of the Sector Export Strategy

- To improve the quality of products and;
- Increase access to the markets in the CSME and the neighbouring French Caribbean countries.

The Rationale Behind These Objectives

One of the key issues in the domestic productive sector has been inconsistency in the quality of production. Addressing this concern has been identified as critical to the survival of manufacturers in the chemical sector. The process of producing for the export market this will cause domestic manufacturers to improve product quality to become competitive in the targeted export markets.

The export markets targeted have been identified based on the liberalized trading arrangements within the CSME and with respect to the Caribbean French markets, the close proximity, cultural similarities and favourable foreign exchange conditions.

Overall Plan of Action

CHEMICAL SECTOR

BORDER ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Customs	*Too much bureaucratic red tape in preparing entry for export of goods. *Manpower	*Move towards electronic system where entries can be lodged electronically and customs officer can get back to you to inform you if there are any problems with your entry.	*2 years to get system organized and functioning effectively	*Chamber of Commerce and Ministry of Finance
Transportation	Inadequate Shipping within the Caribbean.	Introduce a transportation system to move goods within the Caribbean shipping	1 year	Private Sector

BORDER-IN-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Production Efficiency	*Low productivity as a result of poor training ¶ Outdated equipment which affects production output. Capital Stock in terms of equipment needs modernizing.	*Develop training schedule targeting critical training needs. This must be along international guidelines to make local labour force internationally competitive. Skills must be appropriate for development of the industry to compete globally. ¶ Sourcing funds to improve productive capacity. Example sourcing modern Shold equipment to be use in the production of paint to increase output. A modern Shold	3 Phase approach 1. Conductin g needs assessment 2. Identify resources needs and where training to be undertaken 3. Undertaki	*Ministry of Education ¶OPSR, NAO

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	<p>Inconsistency in product quality as a result of the inability to undertake adequate testing of finished goods.</p>	<p>60HP can manufacture 3 times more paint and in less time than a should 20HP machine!! That kind of assistance can be used for upgrading, re-engineering and retooling.</p> <p>Establish a product testing facility in Saint Lucia.</p>	<p>ng the training ¶ 2 years</p> <p>1 Year</p>	<p>Bureau of Standards</p>

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Marketing/ Promotion	Individual companies at their own costs undertake market information/research.	Data and Information should be collected and made available by Government through the use of the various overseas missions and Embassies.	2 years	Ministry of Commerce and Industry
Co-ordination of Products for Exports	Limited collaboration exists between companies involved in the export of goods.	Establish a desk/information sharing and clearing centre through with producers could access export schedules of other producers and hence consolidate exports	1 Year	SMA or Chamber of Commerce.
Cost of Utilities	The high cost of utilities affect price competitiveness.	Introduce a credit mechanism that rewards firms by charging a lower cost for electricity. This should be based on export levels.	2 Years	SMA, Chamber of Commerce, Ministry of Commerce and LUCELEC
Concessions	ζ Absence of concessions in key areas	ζ Revise the present Fiscal Incentives Regime with the goal of ensuring greater transparency, that the incentives given reflect the firms' attempts to use efficiency enhancing technology and that the administration of the incentives regime is decentralized with clear monitoring mechanisms. The relevance of the concession regime must be reviewed periodically to ensure that the regime meets the needs of industry.	ζ 1 year	ζ Ministry of Commerce and member groupings such as SMA, SLISBA etc
Consumption Tax	μ High consumption tax payments to government, which brings up the price of manufactured items. While there is no consumption tax on exported items, the effect of high consumption taxes on the local market is such that locally	μ Ensure the calculation of domestic consumption tax is based on the ex-factory cost of production. This will result in more competitively priced local products.	μ 1 year	μ Member groupings such as SMA, SLISBA Ministry of Commerce etc

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	manufactured items cannot compete in their own market. This leads to market erosion. Securing the domestic market is important for the continuation of export promotion, as it is often the local sales that help to give the companies the fighting capital they need to compete on the international market.			
Product Design & Development	¶ Limited availability of laboratory and other services needed for design and development of products.	¶ Form strategic alliances with international companies to gain access to existing expertise and resources.	¶ 2 years	¶ Ministry of Commerce to monitor, companies to facilitate.
Intellectual Property Rights Application	<ul style="list-style-type: none"> ▪ Increased education on the importance of intellectual property rights ▪ Streamline administrative procedures for securing Intellectual property rights 	Encourage innovation and development of new and improved products		

BORDER-OUT-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Raw Material Costs and Availability of Raw Material	*High unit costs of raw material. Availability of Raw Materials	* Related industries that use the same raw materials should enter into joint purchasing arrangements to benefit from price discounts and therefore lower unit cost of raw materials. Examine ways of sharing storage facilities.		* To be commissioned by the Ministry of Commerce. SMA, OPSR, Chamber of Commerce.

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Trade Barrier Issues (Tariff and non-tariff matters)	<p>ζ CET not common to all countries. Some countries change the tariffs to protect their local industries.</p> <p>ζ Issue of survival of small states in the Global economy.</p>	<p>ζ Ensure strict implementation of CET and the removal of all non-tariff barriers within CARICOM. The CCJ, when it comes into being must enforce penalties against defaulting parties.</p> <p>ζ. Continue efforts to ensure that the case for special and differential treatment of small states remains a priority item on the WTO agenda.</p>	<p>ζ 1 year after coming of the CSME</p> <p>ζ Unsure</p>	<p>ζ Ministry of Commerce, Investment and Consumer Affairs, the Ministry of International Trade, the SMA and the Saint Lucia Chamber of Commerce.</p>

DEVELOPMENT ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Market Access	*Protectionist measures used by some countries, such as non-tariff barriers.	* Undertake research into the various targeted markets. Be aware of the barriers and work with the Ministry of Commerce to gain access to those markets.	*1 year	* Company initiative
Product Concerns	Related ζ Export readiness; Presentation of product.	<p>ζ Look at various labelling standards. The local Bureau of Standards must be strengthened to undertake this task.</p> <p>Research on New Packaging and Presentation Elements to Improve Competitiveness</p>	<p>ζ 1 year</p> <p>On-going</p>	<p>ζ Bureau of Standards</p> <p>Ministry of Commerce</p>

Finance	<ul style="list-style-type: none"> μ Access to funding for developing the export market and also the issue of risk funding by commercial sector 	<ul style="list-style-type: none"> μ Special fund to be set up to deal with risk financing. Where venture is new and commercial sector not willing to undertake financing or in some case re-financing because of relative newness of the venture. μ Equity Financing/ECSE and Development Financing 	<ul style="list-style-type: none"> μ Two - Three years 	<ul style="list-style-type: none"> μ Ministry of Finance, Commerce and the Banks
Research and Development	There is need to develop new agriculture based products utilizing local raw materials	<ul style="list-style-type: none"> μ Special research programmes to be developed 	Two - three years	Ministry of Agriculture
Maintenance of quality Standards	Availability and access to support systems and infrastructure	Develop the human resource capacity within the SLBS to conduct audits of the standards in the sector. Develop the capability and infrastructure of monitoring standards and testing of products.	Three years	SLBSA and the Ministry of Commerce.

FOOD SECTOR EXPORT STRATEGY

6. Sector Level

Overall Objectives of the Sector Export Strategy

- To enhance competitiveness of existing exporters by;
 - Improving standards and quality
 - Technological upgrading
- Product expansion and diversification through investment promotion and;
- Increase access to the markets in the CSME and the neighbouring French Caribbean countries.

The Rationale Behind These Objectives

One of the key issues in the domestic productive sector has been inconsistency in the quality of production. Addressing this concern has been identified as critical to the survival of manufacturers in the food sector. The development of new products through agriculture linkages is identified as an important undertaking in the strategy period to diversify the product base. Cassava products, frozen and vacuumed packed products are immediate targets in this regard.

The export markets targeted have been identified based on the liberalized trading arrangements within the CSME and with respect to the Caribbean French markets, the close proximity, cultural similarities and favourable foreign exchange change.

Overall Plan of Action

FOOD SECTOR

BORDER ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Freight Charges and Handling Charges	* High rates charged by SLASPA on outbound cargo	* Conduct a comprehensive study to determine the cost of handling cargo (both containerized and break-bulk) at the seaports in Saint Lucia with recommendations on strategies to reduce cost. Provision of concessions on outbound rates	*2005-2006	* Saint Lucia Air & Sea Ports Authority, the Chamber of Commerce and the Ministry of Finance
Transportation	Inadequate Shipping within the Caribbean. Need for space to accommodate schooners at the seaports (Castries and Vieux-Fort)	Introduce a transportation system to move goods within the Caribbean shipping area. Provide special areas for schooners to load and unload cargo at the seaports.	2005-2006	Saint Lucia Air & Sea Ports Authority and the Private Sector
Distribution Facilities	Limited warehousing arrangements for consolidation of goods near the seaports	Establish Freight Export Stations near the seaports (Castries and Vieux-Fort)	2006-2007	
Availability of Customs Officers to Carry out Inspections	Customs officers are typically available to inspect foods for export after working hours leading to additional cost of exports	Ensure the revision of the work schedule of customs officers to allow them to carry out their inspections of goods for export within normal working hours.	2005 and ongoing	Customs and Excise Department, Ministry of Finance and SMA

BORDER-IN-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Capacity Building (Production)	(a) Financial constraints limit the volume of raw materials which can be ordered (b) Unavailability of suitable factory space	(a) Establish joint ventures with the aim of joint purchasing of raw materials (b) Provision of specialised	2005-2006	(a) Small Manufacturers Association - (SMA),

	at concessionary prices	loan facilities to small manufacturers seeking to lease/purchase factory space (c) Joint shipping arrangements		(b) National Development Corporation (NDC)
Capacity Building / Human resource Development	Technical skills and knowledge needs to be increased for innovation and expansion	(a) Conduct needs assessment (b) Implement education and training programmes in accordance with the results of the assessment	2005 - 2008	Ministry of Commerce COC OPSR SALCC
Quality Standards	(a) Need for certification (b) Financing to implement standards	(a) HACCP compliant (b) Laboratory testing facilities	2004-2005	(a) St. Lucia Bureau of Standards, (b) OPSR
Research and Development	(a) Need to improve science and technology support for production of new products and enhancement of existing ones (b) Need to increase access to science and technology support services	(a) Create linkages and information flow with research and development institutions locally, regionally and internationally (b) Upgrade laboratory and testing facilities (c) Introduce financing programmes for Research and Development/ testing.	2005 and onward	OPSR Ministry of Agriculture Ministry of Education / SALCC
Technological upgrading	Need to introduce modern technology / upgrade plant and equipment for increased output	Increase funding support for equipment purchase through special soft loan facility	2005	OPSR Ministry of Commerce
Intellectual Property Rights application	<ul style="list-style-type: none"> ▪ Increased education on the importance of intellectual property rights ▪ Streamline administrative procedures for securing Intellectual property rights 	Catalyse the growth of new and enhanced products by national producers and increase safeguards against infringements of such rights by external competitors	2005 and onwards	Ministry of Commerce Ministry of Legal Affairs

BORDER-OUT-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Marketing & Trade	(a) Lack of finance to purchase marketing	(a) Hire Consultant(s) to undertake	2005-2006	(a) Small

Information	intelligence networks in regional and extra-regional markets	periodic studies to identify market opportunities and assist in developing strategies (b) Purchase/acquire market information		Manufacturers Association, (b) OPSR (c) OECS/EDU
Competition	Increased competition from US firms producing 'authentic' Caribbean products e.g. Banana Ketchup	(a) Target market niches positioning products as indigenous Caribbean products (b) Develop and establish strategic alliances with US firms	Continuous	(a) Private Sector
1. Market Access/Non-Tariff Barriers	Stringent minimum quality standards imposed by CARICOM nations for importers which differs from the minimum standards set for domestic producers e.g. Trinidad & Tobago	Setting of common minimum quality standards for importers as well as domestic producers	2004-2005	(a) Ministry of Commerce, (b) Ministry of Foreign Affairs & (c) Caribbean Organisation for Standards & Quality (CROSQ), (d) SLBS

INFORMATION TECHNOLOGY SECTOR EXPORT STRATEGY

7. Sector Level

Overall Objectives of the Sector Export Strategy

- To encourage the development of new products / enterprises and promote international trade in IT services
- To increase the level of investment financing to the sector and improve access to funding
- Identify Export Opportunities and target those opportunities to achieve growth in exports.
- Achieve levels of standards in all aspects of production, and service required to meet international demands of quality.
- To meet the human resource needs of the sector

The Rationale Behind These Objectives

The IT sector is unique both in terms of its underpinning of other export sectors and the vast range of goods and services that it produces. As such the sector is considered of extreme importance within the context of enhancing our overall international trade competitiveness. Consequently improvements in the IT sector will produce dividends in other export sectors and have a broad impact on exports in general.

The strategy seeks to cater to the sector special needs in respect of financing and human resource development to promote new enterprise growth and development. Enforcement of intellectual property rights, improved capacity and reliability of telecommunications infrastructure and reduced telecommunications costs are added measures that are critical for new enterprise development.

Other measures proposed are geared towards enhancing the sector's international competitiveness and information / intelligence gathering for exploitation of new exports opportunities.

OVERALL PLAN OF ACTION

INFORMATION TECHNOLOGY SECTOR EXPORT STRATEGY

BORDER – IN ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Business environment enhancement	Representation needed to champion the special needs of the sector with respect to Government regulations, Customs and sensitization of other sectors and the public	Formation of an IT Industry association to represent the needs of the industry, through the proposed <u>Saint Lucia Coalition of Service Industries Inc.</u> (as a sub-group of the chamber of commerce)	2005	OPSR Ministry of Commerce Chamber of Commerce
Standards Upgrading and Quality assurance	Lack of standards results in poor quality and reduces the level of competitiveness within the sector Need for general standards such as ISO etc.	Support the creation of the proposed <u>Saint Lucia Coalition of Service Industries Inc</u> and Establish an association of IT Professionals with responsible for accreditation and standards as an affiliate of the proposed <u>Saint Lucia Coalition of Service Industries Inc</u>	2005	Professional Organization OPSR
Legal regulatory and financial framework for Facilitation of eCommerce-Online	Capability exists for conducting exports payments via the internet but this is not currently facilitated by the local banking sector	IT Industry association to be formed to lobby financial institutions to offer this service. Government should encourage the provision of such service Implement relevant legislation	2005	Professional Organizations COC Banking Sector Ministry of Commerce
Access to funding and capital is a problem.	Banks do not generally accept IT assets as collateral for borrowing Need for soft capital	Develop and implement special funding arrangements Seek funding for soft loans from development organizations	Immediate	Banking Sector Ministry of Commerce OPSR

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Insufficient financing allocated to the sector	Loans packages not compatible with IT companies who lack collateral Lending institutions need to recognize and cater for risks specific to IT Service provision and delivery	Develop and implement special funding arrangements Financial institutions need to expose their officials to other forms of collateral that are safe and convertible as traditional Awareness building in the value of intellectual capital	2005	Banking Sector Ministry of Commerce OPSR
Lack of or insufficient trained personnel	Quality and scope of training lacking.	Provide scholarship assistance to young persons seeking tertiary education in IT related fields. Promote the use of 'on line' courses as a cost effective means of increasing skills. Provide funding support for training at the firm / individual level To integrate the use of IT in the primary and secondary school system for teaching and learning	Ongoing	Ministry of Education SALCC OPSR
Deficiencies in the use or application of IT in key export sectors i.e. as an ancillary export service	Need for better understanding of the IT requirements of the priority export sectors Need for research on solutions peculiar to our market size and resource limitations	Research & Technology Unit should be a part of the IT Industry Association office (see below)	2005	Saint Lucia Coalition of Service Industries
Intellectual Property Rights Application	<ul style="list-style-type: none"> ▪ Increased education on the importance of intellectual property rights ▪ Streamline administrative procedures for securing Intellectual property rights 	Encourage development of new IT products and the growth high value services within the IT industry		

BORDER ISSUES

Concern	ISSUE	Strategy	Time Table	Responsible Organization
High cost of telecommunications	Need for affordable and reliable voice and data communications both within and outside the island Consulting and IT services can be offered remotely utilizing telecommunications to allow lower cost and increased competitiveness of these services Allows introduction of additional business models and ventures	Continue development of legal framework for liberalized telecommunications sector. Remove present monopoly by allowing selected competitors into the market	Ongoing	Ministry of Communications and works Ministry of Commerce
Improved Product Development and expansion	Intellectual property rights need to be enforced, both for imported software and locally produced items	Educate the general public and IT entrepreneurs of the legal requirements Provide assistance (Technical and Financial) to assist IT firms and or individuals to register their intellectual copyrights for new developments	Ongoing	Professional Organization OPSR Chamber of Commerce

BORDER – OUT ISSUES

Concern	ISSUE	Strategy	Time Table	Responsible Organization
Market Research and Market access	Access to information on external sources of funding and investment.	Trade Officers abroad providing clearinghouse for commercial opportunities abroad (tenders etc) matched to local capacity and capability.	2005	Ministry of External Affairs NDC TEPA
External trade promotion and market	Need for continuous market development and avenues for	Advertising and promotion of local expertise abroad	2005	TEPA Ministry of

development	promotion of opportunities to potential external investors	Leveraging contacts for St. Lucian professionals in the diaspora		Commerce COC
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Development ISSUES

Concern	ISSUE	Strategy	Time Table	Responsible Organization
Lack of or insufficient trained personnel	Limited pool of technical expertise on-island	The imminent advent of the CARICOM common market will provide access to a larger pool of expertise from the wider Caribbean	2005	Ministry of Labour
Human Resource Development	Limited scope for higher education	Provide scholarship assistance to young persons seeking tertiary education in IT related fields Enhance the capacity of local tertiary institutions such as the Sir Arthur Lewis Community College	2005	Ministry of Education OPSR SALCC
Strengthening Management capacity	Lack of Managerial expertise (especially export management)	Provide training workshops for management to enhance these skills. Development of specific management skills such as resource and project management, preparation of contract and specification documents etc.	2005	COC SALCC

INTEGRATED MARKETING COMMUNICATIONS SECTOR EXPORT STRATEGY

8. Sector Level

Overall Objectives of the Sector Export Strategy

- To improve the consistency of quality of products and services,
- Increase access to the markets in the CSME and the neighbouring French Caribbean countries and;
- To increase the availability of skilled personnel within the sector.

The Rationale Behind These Objectives

Saint Lucia appears to have considerable comparative advantages in respect of these areas. However although skills and talents are recognized to be of a high quality the absolute numbers of skilled personnel is relatively low and skills are often imported. The strategy therefore seeks to increase the availability of training in critical areas through short-term intense programmes.

With the advent of the CSME opportunities will emerge for increased export of these services within the Caribbean region. In anticipation of this the strategy focuses on the systematic removal of trade barriers that currently hinders trade.

The export markets targeted have been identified based on the liberalized trading arrangements within the CSME and with respect to the Caribbean French markets, the close proximity, cultural similarities and favourable foreign exchange conditions.

Overall Plan of Action

INTEGRATED MARKETING COMMUNICATIONS SECTOR

BORDER ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Customs	*The process of registering equipment is lengthy and time consuming.	*Advertisers should register their list of equipment with Customs. The items to be used on a specific event out of the island should be submitted in advance to the Customs.	*Six months to get system organized and functioning effectively	*Customs and Excise Department and the respective advertising agencies.
Immigration / Visa Procedures	Process for obtaining visas to work in French and Spanish territories in the Caribbean area.	Get the advertising companies and their staff on a preferred list to be submitted to the immigration points of the respective French and Spanish embassies to facilitate issuance of automatic visas.	1 year	Ministry of External Affairs and the Advertising Sector
High Import Duty/Consumption Tax Rates on Electronic Production Equipment	High duties impact on ability to acquire state of the art equipment and thus impact on the quality and competitiveness of production	Government to provide automatic concessions on production equipment used by Advertising agencies	Immediately following acceptance of Export Strategy	Ministry of Commerce and Private Sector

BORDER-IN-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Limited pool of qualified personnel.	*Limited quantity of skilled personnel to meet the demands of the current and emerging markets.	*Develop training programme targeting critical training priorities. This must be along international guidelines to make local labour force internationally competitive.	Conduct an assessment to Identify resource needs and where training to be undertaken. This should be undertaken	*Ministry of Education, private sector companies and Media Association.

		Identification and allocation of funding for the provision of scholarships and subsidized funding for loans.	with 1 year. Undertake the training over a period of five years.	
Professionalism	The absence of an organized body to govern ethical behaviour, business practices, develop policy and provide advocacy for the sector has lead to a decline in standards and respect for the sector.	Establish and register a professional association.	Six months	Private Sector
Intellectual Property Rights Application	Increased awareness of the importance of intellectual property rights and encourage the exports to safeguard their intellectual property	Streamline procedures for securing intellectual property rights and provide education and training to exporters in the application of these procedures	From 2005 to 2007	Ministry of Commerce Ministry of Legal Affairs

BORDER-OUT-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Establishment of commercial presence.	*Ease of entering and establishing a commercial presence in new markets.	*Enter into joint ventures with partners from the new markets. Mount trade shows Conduct exchanges of business information dissemination missions to the respective target markets. Provide training to local enterprises on strategic alliance building	1 year	*The Ministry of Commerce, Private Sector, Chamber of Commerce. OPSR

DEVELOPMENT ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Market Access	*Protectionist measures used by some countries, such as non-tariff barriers.	* Undertake research into the various markets, which we would like to target. Be aware of the barriers and work with the Ministry of Commerce to gain access to those markets.	*1 year	* Company initiative
Issues needing Policy Intervention	¶ Issue of Commitment to developing export sector	¶ Need to find ways to make individual governments do what they sign up to do.	¶ On-going	¶
Product Related Concerns	ζ Export readiness; Presentation of product.	ζ Look at various labelling standards. The local Bureau of Standards must be strengthened to undertake this task. Research on New Packaging and Presentation Elements to Improve Competitiveness	ζ 1 year On-going	ζ Bureau of Standards Ministry of Commerce
Finance	μ Access to funding for developing the export market and also the issue of risk funding by commercial sector	μ Special fund to be set up to deal with risk financing. Where venture is new and commercial sector not willing to undertake financing or in some case re-financing because of relative newness of the venture. μ Equity Financing/ECSE and Development Financing	μ Two - Three years	μ Ministry of Finance, Commerce and the Banks

NURSING SERVICE SECTOR EXPORT STRATEGY

1. Sector Level

Overall Objective for the Sector Export Strategy

- Improve the quality of the nursing human resource
- Provide training services in nursing nationally, the CSME and international markets
- Establish mechanism to provide and support career guidance for nurses
- Increase access to the markets in the CSME, the USA, Canada and the UK
- Establish and maintain databases on the migration of nurses
- To maximize the business opportunities from recruitment and supply of nurses to the developed countries

The Rational for these Objectives

The competencies of the nursing human resource have been adequate to meet entry-level requirements for positions on the international market. In recent years, St. Lucia has strengthen its relationship with the major regulatory agencies in foreign markets including the Commission of Graduates of Foreign Nursing Schools in the USA, the College of Nursing in Ontario, Canada and the Nurse and Midwifery Council in the UK facilitating nurse to gain access to jobs in these markets. However, the human, physical, fiscal and material resource capacity of the Department of Health Sciences at the Sir Arthur Lewis Community College needs to be strengthened to meet the increasing demand for entry level and post basic nursing education programme that would meet the market demands while maintaining the capacity of the sector to meet the health and nursing service demands of the country.

Managing this export strategy requires strengthening the nursing sector while improving the national health services. The nursing leadership, management and research (nursing workforce studies) capacity also needs to be strengthened in order to maintain a balance between the countries needs and the demands of the global market

Overall Plan of Action

NURSING SERVICES SECTOR

BORDER - IN ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Capacity Development	Capacity development of Nursing services is affected by:		Immediate	Ministry of Health through the authority of the Minister of Health who seats on the COHSAD (Committee on Health and Human Services)
	a. Regional Nursing Body (RNB) not having dedicated Nursing personnel present at the CARICOM Secretariat in Guyana. The absence of those personnel impacts on the ability of the RNB to anticipate and adopt both regional and international standards and to produce trained personnel who are internationally competitive.	Lobby for the establishment of the necessary dedicated Nursing Personnel at the CARICOM Secretariat in Guyana		
	b. General Nursing Council (National Body which implements the mandate of the Ordinance for Nurse Registration and the RNB) needs to be properly structured to provide the required leadership and management support to meet its mandate and given legitimate recognition at the national level	Determination of strategic posts that should be activated and a structure devised to ensure that full-time operation occur	2005	Ministry of Health
	c. Absence of the development of National Nursing Policy and Co-ordination due to the inactivation of the post of Chief Nursing Officer which would ensure the implementation of a work programme related to Policy Development, Implementation and Monitoring, as well as Research relevant to Nursing Leadership and Administration	Activation of post of Chief Nursing Officer to lead efforts to develop the following which should be supported by external Consultants with the relevant expertise: i) National Nursing Policy, ii) Conduct Human Resource Capacity Assessments and	2005	Ministry of Health

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
		Human Resource Development Plan (including strategies for promoting retention and succession, (iii) Establish evidences based nursing service delivery models (iv) Establish current and comprehensive standard operating procedures and Quality monitoring mechanisms;		
	d. Existence of a Department of Health Sciences at the Sir Arthur Lewis Community College, which is not structured to ensure sustainability of high level Educational Administration, and Delivery of Post Basic Programmes to meet the national and export market needs.	Re-structure Department of Health Sciences to (i) Ensure sustainability of Nursing Education Programmes at both Basic and post-Basic levels; including specialty and degree programmes (ii) Recruit and retain Nursing Faculty	2005 - 2006	SALCC Ministry of Education Ministry of Health
	e. Existence of antiquated Nursing Management Systems that do not support the current Nursing Education Curricula and Evidenced Based Practice to ensure both regional and international standards are met	Obtain support to establish current Nursing Management Systems and Nursing Service Delivery Models	2005 onwards	Ministry of Health
Competency Development	Competency development of Nursing Services affected by: a. Absence of in-country post-basic training which impacts the availability of both Bachelor and Masters level Nursing professionals to meet the leadership, management and training needs of the sector	(i) Encourage Foreign Investment to develop institutional infrastructure specific to provision of Library and Information Resources,	2005 onwards	SALCC Ministry of Education Ministry of Health

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
		<p>Training Materials and Equipment, dedicated physical spaces at the SALCC for post-basic training</p> <p>(ii) Recruit external personnel with Doctoral qualifications in Nursing to deliver in-country degree programmes at the Bachelors and Masters Level.</p>		
	<p>B. Absence of general management competencies relation to:</p> <p>Leadership Human Relations Skills Organizational Management Marketing Team Building Systems Oriented Thinking Programme Development and Evaluation Research and Development Negotiating Skills Legislation/Regulation Formulation Contract Formulation</p>	<p>Ensure these competencies are included in both the Nursing Education Curricula at the Bachelor and Masters Level as appropriate and the Continuing Education Programmes for Nurses</p>		<p>SALCC Ministry of Education Ministry of Health</p>
	<p>C. Inadequate preparation of enrolling students in the pure sciences at the CXC level to meet the requirements of the programme</p>	<p>Ministry of Education and the Department of Health Sciences should collaborate closely to devise a mechanism to advise students on the subject requirements for enrolling in the Department of Health Sciences</p>	<p>Immediate</p>	<p>Ministry of Education</p>
<p>Competency Diversification</p>	<p>Competency diversification affected by:</p>	<p>Devise Investment Policy for Nursing Services for developing</p>	<p>2005</p>	<p>Ministry of Health</p>

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	a. Absence of Strategic Investment Interventions that would facilitate higher level in specialized training areas	specialist needs in Mental Health Psychiatry, High Acuity Nursing: Critical Care and Trauma, Public Health Community Nursing and Family Nurse Practitioners		

BORDER ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Transaction Support	Transaction support is not hindered by any negative factors. On the contrary the export of nursing services is highly facilitated by the importing countries and information regarding requirements of importing country are made ready available to potential recruits	Devise mechanism (to include exit interviews, tracer studies) to allow control of information regarding export of nurses	2005	SALCC Ministry of Education Ministry of Health
Infrastructure	Existing national institutional infrastructure in Nursing is fragmented and requires co-ordination	Activation of the post of Chief Nursing Officer and the establishment of a Cabinet-appointed Nursing Leadership Committee to allow proper co-ordination and information-sharing amongst nursing agencies	2005	SALCC Ministry of Education Ministry of Health
Procedures Documentation	a. Procedures documentation is not readily available in the Nursing Services Sector. Where documentation exists there are no linkages between the various health institutions b. Absence of the use of appropriate information technology in documentation	Develop and implement through the Office of Chief Nursing Officer, policies and procedures that would ensure standard documentation for the sector Acquire appropriate information	Immediate	SALCC Ministry of Education Ministry of Health

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	procedures	technology infrastructure for the sector		

BORDER – OUT ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Opportunity Identification	Opportunities for export of services are facilitated by the existing external demand for the service. The recruiting countries are proactive in identifying and informing potential recruits of opportunities.	Investment Promotion Agencies (like the National Development Corporation) should broaden their mandate to proactively identify export opportunities for the Nursing Services sector	Immediate and ongoing	SALCC NDC Proposed Export Marketing Agency
In-Market Business Support	In-market business support does not exist within the national market. In-market business support comes from external sources in fulfilling requirements in external markets	The establishment of a post of Marketing Specialist within the Office of Chief Nursing Officer, whose functions shall include the Identification of strategic interventions for providing relevant in-market business support	2005	Ministry of Health NDC Proposed Export Marketing Agency
International Promotion	Currently, national image is augmented through the current revision of the training programme at the SALCC to meet international standards. However, there is the absence of a national strategy for promoting the sector in foreign markets.	Development of a National Plan of Action for promoting Nursing Services in foreign markets which would be executed under office of the Chief Nursing Officer	2005	Ministry of Health NDC Proposed Export Marketing Agency

DEVELOPMENT ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Poverty Reduction	a. Community Projects undertaken for	Development of continuous	2005 and onwards	SALCC

	<p>provision of primary health services does not exclude high-income groups from benefiting and may crowd-out the real beneficiaries</p> <p>b. Access to nursing training by potential candidates in rural communities are constrained by financial and housing difficulties</p>	<p>outreach programmes</p> <p>Injection of financial and material resources to support these candidates</p>		<p>Ministry of Education Ministry of Health</p>
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CROSS SECTOR STRATEGY
Capacity Building

9. National Level

Overall Objectives of the Sector Export Strategy

- To ensure that there is adequate capacity at national and sector level for implementation, monitoring and advancement of the SLNEDS
- To set clear priorities for capacity development across sectors
- Ensure that institutions within the exports services delivery network are strengthened and equipped to fulfil their mandate within the SLNEDS
- To strengthen and ensure export capacity at the business enterprise level.

The Rationale Behind These Objectives

The success of the SLNEDS depends on the availability of and the quality of the resources that are allocated for its formulation, implementation and management. Adequate capacity is therefore a common requirement in all export sectors and also at the nation level for policy coordination, planning and analysis.

This cross - sector strategy is based on the revealed needs of the priority goods and services sectors and the assessed capacity constraints of the primary institutions within the trade support network.

It aims to identify priorities for action that would produce the maximum effect across sectors and guide resource allocation towards the most efficient ends.

Overall Plan of Action

CAPACITY BUILDING CROSS SECTOR STRATEGIES

BORDER - IN ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Marketing	All the priority sectors identified marketing as being an issue. They do not have marketing plans in place or the trained personnel to carry out the necessary marketing.	Identify resources to conduct market analyses in the local and potential export markets in the various sectors	Immediate and Ongoing	OPSR, COC, Ministry of Commerce, Proposed Marketing Agency, OECS /EDU
		Conduct regular relevant market research and make the information available at a cost to the various sectors.	Immediate and Ongoing	PSOs/ TPOs (proposed TEPA
		Strengthen the programs offered at the SALCC and other organizations to improve ability in the area of marketing.	2005 and onwards	SALCC, Ministry of Education
		Offer Short courses in Marketing for export firms (both goods and Service producers)	Immediate and Ongoing	SALCC, Ministry of Education COC SMA

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Human Resources	Limited skilled Labour available at high cost.	<p>Expand opportunities for training in the priority areas. Skills required in those sectors should be included on the national Training priority list</p> <p>Assist individuals and firms to increase capacity in the areas identifies in the individual sector strategies through tax allowances and funding support</p>	<p>Immediate and ongoing</p> <p>2005 and onward</p>	<p>Ministry of Education</p> <p>Private sector agencies; COC, SMA, Professional Organizations.</p>
	Lack of technical skills specific to the identified sectors	<p>Formalized vocational training needs to be developed i.e. Revamp and develop programs in the educational system to provide the specific technical skills required by the priority sectors. Many of the courses offered are too general. Sir Arthur Lewis Community College should conduct TNA of the priority areas and match courses to specific needs.</p> <p>E.g. Architectural - the training in drafting at the Sir Arthur Lewis Community College needs to be more specialized, more specific to the needs of the architects.</p>	<p>3 - 5 years</p> <p>TNA - 1 year</p> <p>Develop curriculum - 2 years</p>	<p>Ministries of: Education, Commerce and International Affairs</p> <p>Sector Associations</p> <p>National Skill Training Institution</p>

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	<p>Provide other general skills that are common to all sectors including:</p> <ul style="list-style-type: none"> • Basic writing and presentation skills. • Making effective presentations • Preparing written proposals • Customer service • Use of internet email and e-commerce to advance the sector's interest 	<p>Provide financial and logistical support to business associations to conduct short-term training in the selected areas.</p>	<p>2005 and onwards</p>	<p>Private sector organizations Ministry of Education</p>
	<p>Lack of adoption and adherence to international standards in priority sectors especially the professional services</p>	<p>Establishment of umbrella organizations to monitor standards and set levels of certification in the priority service sectors.</p> <p>Legislation to enforce standards e.g. a) the enactment of the Architects Registration Act (b) Establishment of a registration Board (c) Establishment of affiliations with internationally recognized institutions.</p> <p>Provide assistance for acceleration of standards adoption and adoption of quality assurance systems in priority merchandise sectors</p>	<p>Legislation - 1 year</p>	<p>Legal Affairs / Attorney General's Office</p>
	<p>Generally poor business and work ethic within the priority sectors</p>	<p>Business / work ethics to be taught at school.</p>	<p>2005 and onwards</p>	<p>Ministry of Education</p>

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Private Sector Development	Need to encourage entrepreneurship and promote enterprise growth in the priority sectors	Expand entrepreneurial skills training programmes in the priority areas	2005 and onwards	COC Ministry of Commerce Ministry of Education SEDU OPSR
Strategy formulation and implementation	The SLNEDS has implication for the overall National Development Strategy and specific sector strategies. It is imperative that these other strategy documents effectively embrace the SLNEDS There is therefore a need to upgrade strategic planning skills at the national and sector level. Also capacity must be built up in the areas of monitoring and evaluation of these strategies	- Develop a programme for educating national planning officers on the details of the SLNEDS - On completion of the SLNEDS ensure that overall/ comprehensive sector plans are formulated for the priority areas - Develop effective mechanisms for executing the activities of the SLNEDS at the sector level. - Develop effective mechanisms for monitoring and evaluation at the sector level	2005	Relevant government Ministries and private sector institutions
Production	Quality Management, cost control, efficiencies, and ability to meet demand were all identified as areas of weakness in production.	Conduct an assessment of the export readiness of the various companies in the priority sectors. Provide Fiscal incentives offered to companies within the priority sectors that invest in improving production. Incentives could be offered via the various associations making it compulsory to join the associations.	15 months Continuous	Bureau of Standards Legislature Training companies Consultancies Companies
Information Technology	The present expertise available on island cannot support demand. The only available training is a computer technician associates degree at the Sir	BSC in Information Technology disciplines to be offered locally and add depth to the level of expertise available.	3 - 5 years	SALCC Ministry of Commerce

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	Arthur Lewis Community college.	<p>Establish an association, which would keep members up to date on developments in IT and facilitate continuous training programs. The Association would also maintain a listing of expertise available on island.</p> <p>Mandatory courses in the school system; computer access to all students at all levels.</p>		<p>Private Sector Association</p> <p>Ministry of Education</p>
Supply Chain and Logistics	Most organizations do not recognize the importance of supply chain management to the level of efficiency obtained or the cost of production in their organization	<p>Provide short courses and on the job training to businesses in this area</p> <p>Assist local consultants to strengthen their capability in this field</p>	Immediate	<p>Private sector agencies</p> <p>OPSR</p>
Quality Management	Standards are essential in all the sectors. The following sectors all recognized that certification was required for practitioners and organizations in their sectors in order to set standards These standards include HACCP and ISO.	<p>Establish and/or strengthen national organizations in the different sectors. E.g. CDF for Arts & Entertainment.</p> <p>A register of qualified practitioners must be available in the various organizations within the sectors.</p> <p>Develop local expertise in standards in the all priority sectors.</p> <p>Develop attitude of pride, continuous improvement from early.</p>	Immediate and Ongoing	<p>SLBS</p> <p>SMA</p> <p>Professional Organizations</p>

BORDER - OUT

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Networks and Alliances	Need to establish strategic partnerships with regional and international companies to facilitate the transfer of knowledge and technologies.	Identify external organizations and companies with whom strategic linkages can be made. Develop expertise in sourcing potential partners.	3 years	Sector Umbrella Associations, Ministries of Foreign Affairs and Trade, Individual Companies
Communication	Development of Internet based financial transactions support through local banks to promote E- commerce opportunities in the priority sectors	Preparation and adoption of policies to encourage e - commerce Local banks to undertake training and develop services to facilitate e-commerce Short courses /workshops to be developed by the private sector to prepare and educate local business in the applications and benefits of e - commerce.	Continuous Immediately	Banking sector COC Ministry of Finance Ministry of Commerce
Languages	English is the standard language for communication in business the use and understanding of English needs to be expanded in some of the sectors. Especially the agriculture related sectors With the advent of the FTAA language skills are particularly necessary and should be increased	Mandatory all secondary schools to achieve at least general proficiency level in English, Introduction of French and Spanish at the primary school level in Saint Lucia Increased opportunities and financial support for pursuit of foreign language training at tertiary level	2005 and onwards 2005 and onwards 2005 and onwards	Ministry of Education

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Research & Development	Need for adequate research in production technologies and science and technological advancements in the priority sectors	Development of a Research Information Centre for collection, and dissemination of research to the priority sectors	Immediate	Ministry of Commerce SLBS COC TPOs (proposed TEPA

CROSS SECTOR STRATEGY
Trade Information

10. National Level

Overall Objectives of the Sector Export Strategy

- To improve and broaden the use and availability of trade information in day to day business operations;
- To ensure the availability and reliability of up to date information and trade support services.
- To encourage and equip exporters in the application and usefulness of the available trade information
- To create a dedicated trade information network that is easily accessible by users and can be cost effectively maintained.

The Rationale Behind These Objectives

In the international trade arena knowledge indeed translates to power for it impacts every facet of the export operations. In order to enhance the international competitiveness of national exporters it is important that they have access to up to date information concerning on all relevant aspects of their trade.

Equally important is the capacity of exporters to efficiently harness the available information and apply it to their regular operations. The approach adopted in this strategy is to bring the information to the business through regular bulletins, magazines etc. and as far as possible "attract" the users. This is an approach geared towards creating a demand for trade information rather than simply respond to the level expressed demand. In this regard the concept of cost recovery is engrained in the strategy.

In terms of the scope of information it is imperative that the information databases cover both merchandise and services exports (including tourism) and as such the effective networking existing information services is essential for effectiveness and efficiency. The strategy therefore builds upon the pre-existing proposal for establishment of a national trade point as the core feature of the trade information network with tentacles of linkages within the other primary trade services delivery organizations.

OVERALL ACTION PLAN

TRADE INFORMATION CROSS SECTOR STRATEGIES

BORDER – IN ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
1. Trade Support	The Absence of a Trade and/or Export Promotion Agency	<p>Create a national Trade and Export Promotion Agency (TEPA)</p> <p>Establish a National Trade And Export Council to oversee the TEPA above.</p> <p>Identify an Existing Agency to be the primary source of support and information on trade and export information.</p>	<p>6 months</p> <p>3 months</p> <p>3 months</p>	<p>GOSL</p> <p>GOSL</p> <p>GOSL</p>
2. Sources of Market and Trade Information	Lack of awareness of sources of trade and market information	<p>Make the Ministry of Commerce the National Trade Point.</p> <p>Link the various providers of information into a Trade Information Network that supports and assists each other.</p> <p>Create A National Trade Information Council or Committee to meet regularly to oversee the operations of the Trade Point and the Network</p> <p>Identify and Encourage specialization in different types of information among the Network</p>	<p>6 months</p> <p>6 months</p> <p>6 months</p> <p>12 months</p>	<p>Ministry of Commerce</p> <p>Ministry of Commerce</p> <p>Ministry of Commerce NDC Chamber of Commerce Department of Statistics Standards Bureau</p> <p>Ministry of Commerce NDC Chamber of Commerce</p>

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
				Department of Statistics Standards Bureau
5. Trade Agreements	Lack of familiarity with new trade agreements and how it affects business and trade	<p>Host and Conduct Trade Agreement seminars, lectures and workshops</p> <p>Publish Articles on the same in newspapers</p> <p>Hold Town Hall panel discussions throughout the country</p>	<p>Ongoing</p> <p>3 months</p> <p>6 months</p>	<p>Private Sector Organizations / Ministries of External Trade and Commerce</p> <p>National External Trade Council</p> <p>PSOs and Ministry of Trade</p>
6. Resources for Trade Information	Accessibility of Trade and Business Information	<p>Creating the National Trade Point</p> <p>Better Cooperation and Networking of Trade Information Providers.</p> <p>Increased use of ITC will lower the Cost of Information.</p> <p>Provision of realistic and adequate budget</p> <p>Proper Staffing of the Trade Point</p> <p>Sale of more information and the creation of useful products will help cost recovery</p>		

BORDER – OUT ISSUES

CONCERN	Issue	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
3. Market Information and Opportunities	Companies are not able to obtain information on Countries they wish to export to	<p>Conduct Annual Surveys of Interested Markets to Companies and conduct or source market studies of those countries.</p> <p>Publish a monthly bulletin detailing available country market and product market Studies available.</p> <p>Publish in that same bulletin all business opportunities.</p> <p>The Trade Information Network must link into Business to Business Websites and Programmes to support the promotion of Business opportunities</p>	<p>12 -18 months</p> <p>12 months</p> <p>12 months</p> <p>6 months</p>	
4. Trade Facilitation	Companies are not aware Market Access Conditions	<p>Make available in Information Centres information on foreign Tariffs</p> <p>Create and Advertise List of sanitary and phyto - sanitary regulations, Packaging and Labelling requirements for the primary export countries of exporters.</p>	<p>6months</p> <p>12months</p>	<p>Trade Point</p> <p>Ministry of Commerce NDC Chamber of Commerce Department of Statistics Standards Bureau</p>

CONCERN	Issue	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
7. Marketing	Promotion of Products and Services	<p>Organization of regular Business Missions to markets of general and specific interest to exporters</p> <p>Hosting of Local Trade Fairs to promote goods to regional and international buyers.</p>	<p>Ongoing</p> <p>Annually</p>	<p>PSOs/ TPOs (proposed TEPA)</p> <p>PSOs/TPOs (proposed TEPA)</p>

CROSS - SECTOR STRATEGY

CROSS SECTOR STRATEGY **PACKAGING**

11. National Level

Overall Objectives of the Sector Export Strategy

- To improve the quality of packaging
- To make the acquisition of proper packaging more cost effective for exporters and;
- To ensure that packaging meets the standards and requirements in the international export markets.

The Rationale Behind These Objectives

Packaging is important aspect of exporting for marketing and promotion (i.e. product differentiation and visibility) and also for meeting technical requirements and standards in the export markets.

Packaging requirements are often used as a technical barrier to trade (TBT), and as such exporters are to be well informed and regularly updated on packaging requirements. Since a significant proportion of packaging used in the export sectors is imported exporters must also be constantly undated of developments in packaging solutions and they should be assisted in finding cost effective mechanisms to enhance the packaging of their products.

Overall Plan of Action

CROSS - SECTOR STRATEGY: EXPORT PACKAGING

BORDER ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Insufficient information on packaging requirements with respect to shipping	Packaging materials often failing to satisfy requirements in export markets Packing requirements being used as a TBT in export markets	Information system for rapid and frequent information on changes in packaging requirements. Education and training for export managers on packaging and related issues of labelling and shipping	Ongoing throughout 2004 - 2006	Chamber of Commerce and Ministry of Commerce (Trade information Network). Customs, Shipping lines

BORDER-IN-ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
High cost of packaging	Packaging is generally costly. However locally sourced box packaging appears to be quite competitively priced.	Diversification of packaging sources Dissemination of information of packaging sources and prices Development of mechanisms for joint purchasing Provision of appropriate financing schemes for design and redesign of packaging as well as to purchase printing plates	2004- 2006	OPSR, EDU, Ministry of Commerce, Chamber of Commerce, Caribbean Export
Lack of qualified packaging consultants	Specialized expertises in packaging are often unavailable and must be imported	Capacity building of the SLBS in packaging	2004 -2006	SLBS Chamber of Commerce

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
		Support and encourage the establishment of private consultancy firm(s)		Ministry of Commerce
Lack of qualified graphic Designers	There is excess demand for graphic designers to the extent that workers are recruited overseas Graphic designers need to be exposed to the customs, preferences and standards on international consumers (i.e. consumers in the export markets)	Encourage and support training in graphic design.	2004 -2006	Ministry of Education, Private sector, HMS

CROSS - SECTOR STRATEGY
QUALITY MANAGEMENT

12. National Level

Overall Objectives of the Sector Export Strategy

- Development of a national quality infrastructure
- To improve the efficiency and effectiveness of the process involved in production/provision of goods/services, thereby reducing the cost of production
- To develop and promote close partnership between the public and private sectors in quality management.
- To strengthen the capacity of the ability to provide the export sector with effective Quality and Standards services.

The Rationale Behind These Objectives

As the international trade agreements overseen by the World Trade Organization (WTO) came into force, Standardization and Conformity Assessment have become the pillars of the globalization of commerce. All countries require goods and services, whether domestically produced/provided or imported, to conform to technical regulations for the purpose of protecting consumer health and safety and the environment. Quality and standards play a crucial role in achieving this status.

Quality and Standardization are therefore the most crucial elements in any strategy designed to improve global competitiveness of an economy. A good National Quality Infrastructure is characterized by five components: standards and information, quality assurance or conformity assessment (testing, calibration, certification and inspection), accreditation, and metrology or measurement traceability.

In order for these areas to be developed fully, there has to be a close partnership between both public and private sectors. Moreover, the Saint Lucia Bureau of Standards (SLBS), the sole public Agency in Saint Lucia which provides some of the essential services needed to establish a good Quality Infrastructure is constrained by severe limitations which impact on its ability to provide the export sector with effective Quality and Standards services. This cross sector strategy is designed to address these critical aspects, i.e. to strengthen both public and private sector capabilities and foster mutual collaboration in developing the National Quality Infrastructure in a methodical and structured manner.

The interventions in this cross sector area impacts both border – in and border – out issues as and are defined in the overall Plan of Action below.

Overall Plan of Action

CROSS - SECTOR STRATEGY: QUALITY MANAGEMENT

BORDER IN / BORDER - OUT ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Institutional Structure	<p>The exact needs of quality requirements, technical information, conformity assessment and technical assistance have generally not been formally identified for the economically viable product and service sectors. Further, no analysis has been done to determine the gap between the standards and quality services already being provided, and those required by exporters.</p> <p>Moreover, the country does not have a National Quality Policy, and thus, the approach to quality and standardization is haphazard, and not collaborative between Government and Private Sector Agencies.</p>	<p>Carry out a needs assessment to determine the requirements of the export sector as it relates to quality and standards. This assessment should be carried out on a regular basis thereafter, at least every five years.</p> <p>Carry out an analysis to determine the gap between the standards related services that are already available, and that which is required.</p> <p>Develop a National Quality Policy, and constitute National Quality Council, comprising key Government and Private Sector stakeholders to oversee the implementation of this Policy. This Council will also allow for better coordination of the activities carried out by various agencies which impact upon the nation's Quality Infrastructure.</p>	<p>6 months</p> <p>3 months</p> <p>3 months</p> <p>12 months</p>	<p>Government of Saint Lucia (GOSL)</p> <p>GOSL</p> <p>GOSL</p> <p>GOSL and Private Sector</p>
Technical Regulations and Standards	<p>There is a lack of enthusiasm in the private sector to take part in national standards development, and to comment</p>	<p>Conduct major continuous public education campaigns on the importance of participation in the</p>		<p>Saint Lucia Bureau of Standards (SLBS)</p>

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	<p>on draft international standards. Further, the effectiveness of both public and private sector participation in the national standards development process is wanting.</p> <p>The country is unable to take part in international standards development due to constraints in both technical expertise and resources and financial resources.</p> <p>The Government general does not utilize / reference national standards when</p>	<p>standards development process.</p> <p>Private Sector Organizations and specific product/service export sectors should contribute on regular basis, to a special fund created to support private sector representatives' participation in standards development.</p> <p>In addition, incentives should be given to persons representing private sector companies or public sector agencies on technical committees established for standards development.</p> <p>A special fund should be established to develop human resource capabilities and to support research and development activities on viable products/services. This fund would also support other costs associated with the involvement in international standards development. Additionally, our Ministerial Representatives should encourage regional effective lobbying for support from developed countries to aid the regions participation in internal standards development.</p> <p>Sensitize Policy Makers and legal draftsmen on the advantages and importance of having technical regulations be based on standards.</p>	<p>6 months</p> <p>12-18 months</p> <p>3 months - ongoing</p>	<p>Private Sector</p> <p>GOSL and Private Sector</p> <p>GOSL and Private Sector</p> <p>SLBS</p>

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	developing legislation and technical regulations.			
2. Technical Information	<p>The country's local Enquiry Points for the WTO TBT and SPS Agreements are severely constrained. Consequently, information on technical regulations in external markets of interest is not utilized effectively.</p> <p>Exporters and potential exporters do not have ready access to efficient services, which could advise them on developments in technical regulations for products/services of interest.</p>	Strengthen the Information Technology and the human resource capacity of the TBT and SPS Enquiry Points. These Enquiry Points which are each coordinated by two separate Agencies, (Saint Lucia Bureau of Standards and Ministry of Agriculture respectively), should be merged into one Unit, to maximize efficiencies and increase effectiveness.	12-18 months	GOSL
4. Technical Assistance	<p>There are no organized services being offered to assist the private sector with implementation of internationally recognized standards such as Hazard Analysis Critical Control Point System (HACCP), ISO 9000 Quality Management Systems, Environmental Management Systems, and product/service standards. The National Standards Bureau is the only institution with human resource capability, albeit limited, to provide these types of services. Although the institution attempts to provide limited assistance to companies wishing to export, this situation is not ideal, since the Bureau is also involved in the provision of conformity assessment services as well as regulation. Further, it is important to note that under generally accepted international guidelines, regulatory government agencies should not be</p>	Encourage the private sector to get involved in the provision of standards related technical assistance services. Special incentives should be given to persons willing to establish companies to provide these services.	18 months	GOSL and Private Sector

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	<p>involved in the provision of technical assistance services.</p> <p>In addition, funding is not readily available and accessible to entrepreneurs for the purpose of implementing quality standards.</p>	<p>Special low interest financing or partial grant funding should be made available companies wishing implement internationally recognized standards.</p>	12 months	GOSL and Private Financial Institutions
5. Traceability of Measurement (Legal Metrology)	<p>Government has a legal obligation to ensure that weights and measures used in trade are accurate, that is, are traceable to international standards. This is important for importing countries to have confidence in the measurement capabilities of the country.</p> <p>Currently, the National Standards Bureau, which serves as the National Metrology Institution, has limited capability to verify weighing instruments, and minimal capability for the verification of volume and other measurement parameters used in industry.</p>	<p>The National Metrology Laboratory needs to be strengthened in terms of both equipment and human resource capacity to increase its measurement verification capability. The institution also has to gain membership in relevant international organizations such as the International Organization for Legal Metrology (OIML)</p>	12 months	GOSL and SLBS
6. Conformity Assessment (Testing, calibration, inspection and certification)	<p>Currently, there are very limited testing facilities available on island, particularly with respect to food and chemical products. Moreover, none of these facilities are accredited.</p> <p>There are also very limited inspection services for standards and quality available on island. Currently only the National Standards Bureau with limited staff, provide these services.</p> <p>Calibration of equipment used in</p>	<p>Rationalize laboratory services. Accredite laboratories (both chemical and medical)</p> <p>Encourage private sector to get involved in the provision of inspection services</p> <p>Strengthen Metrology Unit capability, and accredit metrology</p>	<p>18-24 months</p> <p>12 - 18 months</p>	<p>Private sector, Ministries of Health and Agriculture, SLBS</p> <p>GOSL and private sector</p> <p>GOSL and SLBS</p>

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
	<p>production is an important part of any Quality Management System. However, the local Metrology Unit only has limited capability to verify mass, with essentially no capability for the verification of volume, temperature and pressure, which are areas in industry that are in demand. In addition, the Metrology Laboratory is not accredited to provide any calibration services. The importation of services to calibrate instruments is very costly, and therefore prohibits the sustainability of Quality Management Systems in local industry.</p> <p>The National Standards Bureau is the only institution that offers a product certification scheme for manufacturers. This programme is severely hampered by inaccessibility of testing facilities, and manpower shortage. Further, the local manufacturing sector has not been able to maximize opportunities through this programme, since many companies are unable to gain access to financial and technical assistance to implement the relevant standards to qualify for certification.</p> <p>There are no services available on island to provide certification for the globally recognized HACCP, ISO 9000 QMS and ISO 14 000 EMS standards.</p>	<p>laboratory.</p> <p>Strengthen certification services.</p> <p>Provide incentives for local manufacturers to achieve product certification.</p> <p>Provide special technical assistance programmes to implement requirements for product certification.</p> <p>Develop capabilities for certification to HACCP, ISO 9000 and ISO 14000</p>	<p>18 months</p>	<p>GOSL and SLBS</p> <p>GOSL</p> <p>Private Sector</p> <p>SLBS</p>

CROSS - SECTOR STRATEGY
TRADE FINANCE

13. National Level

Overall Objectives of the Sector Export Strategy

- To improve access to financing by exporters and SME's in particular
- To engender greater sensitivity to the financing needs of exporters and increase the flow of funds to the sector
- To strengthen the identified weaknesses of the financial services sector in catering to the requirements of exporters.
- To formulate a comprehensive approach towards the development of an supportive financial infrastructure for exports.
- To ensure that the financial services sector adjusts its modus operandi to meet the need of the non-traditional export sectors especially the commercial services areas.

The Rationale Behind These Objectives

The strategy was developed from a detailed analysis of the programmes and services offered by the commercial banks and other financial intermediaries in Saint Lucia and the OECS sub - region. It is also based on an assessment of the financing needs of the priority export sectors.

The institutional survey identified several shortcomings within in the financial services sector relating to; (a) the level of resources available for disbursement (b) the types of instruments and financing options offered to exporters (c) the human resource capability (attitudes and skills) for responding to the needs of the exporters.

The plan of action delineated in this vital cross sector area is therefore formulated to directly address these deficiencies.

The interventions in this cross sector area impacts both border – in and border – out issues as and are defined in the overall Plan of Action below.

Overall Plan of Action

CROSS-SECTOR STRATEGY: EXPORT TRADE FINANCE

BORDER – IN / BORDER - OUT ISSUES

CONCERNS	ISSUES	STRATEGY	TIME TABLE	RESPONSIBLE ORGANIZATION (S)
Access to Finance	Denied to individuals and SMEs not having adequate collateral security.	Government should offer carefully crafted incentives to Financial Institutions who tailor products for export.	Immediate	Ministry of Finance ECCB
Bankers: Perception of Risk	Need paradigm shift from archaic methods based on the traditional four Cs.	ECCB should engage motivational speakers to speak to bankers on the need for change.	2004 -2005	ECCB University of the W I.
Collateral Security	Rigid. Mainly land, consumer durables or cash	Financial institutions need to expose their officials to other forms of collateral that are safe and convertible as traditional.	2005	ECCB Ministry of Legal Affairs UWI Dept of Continuing Education.
Project Financing	Virtually unknown to the sector and misunderstood.	Bankers in particular to be trained to recognize self liquidating projects and design facilities to support	2005 - 2006	Institute of Bankers -Special Training needs
Financing Intangibles	Totally misunderstood. Entrepreneurs experience great difficulty getting proposals appraised.	Special training required for officials financing the entire services sector, particularly I.T.	2005 & ongoing	None in particular, but periodic lectures by members of various service organizations will help develop an understanding of their products
Export Credit - Agro. Sector	ECCB Export Credit Guarantee Scheme - Post Shipment should be extended to meet payables prior to receipt of payment for exports.	Bankers to the Banana Companies could offset liabilities against receipts, improving cash flow within the industry	Immediate	BOSL ECCB Banana Associations Ministry of Agriculture
Credit Insurance -	Only loss in transit currently	Sector must be sensitized to the need.	2006	Manufacturers Association

CONCERNS	ISSUES	STRATEGY	TIME TABLE	RESPONSIBLE ORGANIZATION (S)
Underwriting Export Risks B	covered. Need credit risk cover.			Ministry of Commerce
FINX. Cover - Forward Contracts	Forward contracts are not actively pursued and exporters carry risks. Mechanics are not well known.	Bankers must actively design and market medium and long term cover for transactions.	2006	Manufacturers Association Chamber of Commerce
Share Capital - Preferential Shares	Business houses prefer to borrow by direct loans, as they get no relief .Not popular.	Tax laws need to be altered to allow relief to companies	2005	Ministry of Finance
Equity Financing for SMEs	Only 2 local institutions provide. Terms appear onerous and out of synch. With development needs of SMEs.	Finance houses must review terms in conjunction with institutions like SEDU and OSPR	Immediate	SEDU
Recognition - Arts and Entertainment	Needs to be recognized as a commercial sector complete with valuers, auctioneers and other financial intermediaries.	Artists and artisans need to begin through an association or co-operative, to build their own financial infrastructure, initially with grant funds, but should become self sustaining in the future	2006 - 2007	C D F
High Interest Costs	Prevailing interest rates bear no relationship to the cost of money, or to the internal return rates of fledgling companies. Central Bank regulates interest rates paid on deposits only.	Central bank needs to review its stance on interest rates on borrowings, particularly to the productive sectors. Also, a diversification of portfolios such be actively pursued by the bank.	Immediate	ECCB
Onerous Terms - Matching and Repayment	No consideration appears to be given to troughs in the business cycle and most debt	Financial houses need to modify or create new loan products to meet the needs of the productive sectors.	Immediate	ECCB Chamber of Commerce Manufacturers Association

CONCERNS	ISSUES	STRATEGY	TIME TABLE	RESPONSIBLE ORGANIZATION (S)
	servicing arrangements is based on a fixed monthly instalment, which may be unsuitable, given the nature of operations.			SEDU
Training - Financing and Recovery of Training Costs	It is difficult to secure loan funds for training without security. Lending to firms for training purposes is virtually non existent	There is need to review the lending procedures locally and in particular operations at the former SLDB.	Immediate	ECCB Ministry of Education
Capital Development - Leasing/ Factoring	These services do not exist	Local Banks should consider a Merchant Bank arm to their local operations	2006 to coincide with CSME	Local Banks and Branches through their Local Association.
Working Capital	Overdraft facilities provide adequate support to well established companies, however they are costly to smaller firms and SMEs.	Special self liquidating Project Advances must be designed to service the needs of smaller and less established enterprises.	Immediate	ECCB Bankers Association
Trade Facilitation Services	Services are provided on an AD HOC basis without any definitive goal. Not all finance houses have personnel trained to deliver	Training of personnel is a prerequisite to development of export trade	Immediate	Bankers Association
Credit Information Bureau	A new Credit Bureau was established in 2004	With confidence, risk assessment should become more objective than currently entails.	N/A	The Local Bankers Association need to constantly cross check information received in the early stages until Banks can place reliance on information received
Grant Funds	Most SMEs are not aware that grant funds are available locally.	There is need for more systematic dissemination of information by agencies involved	Immediate	NDC OSPR Ministry of Commerce

CROSS - SECTOR STRATEGY
TRANSPORTATION

14. National Level

Overall Objectives of the Sector Export Strategy

- To optimise all available freight / cargo space that is available for merchandize exports
- To reduce the cost of exporting
- To encourage the introduction and or expansion of inter-regional shipping services (especially within the leeward islands)
- To better coordinate shipping transactions among exporters and enhance the cost effectiveness of their operations

The Rationale Behind These Objectives

Transportation services are vitally important in the context of a small island state like Saint Lucia. Shipping Lines and Airfreight carriers originate outside of the country and are typically global conglomerates whose rate structures, routes and schedules are set to achieve international efficiency criteria. Consequently the services that are available to Saint Lucia are not optimal from the export sector's view point.

The strategy recognized the limited influence of exporters to effect changes in the transportation services and therefore focuses on effectively managing the available facilities. The main recommendation of the strategy is the establishment of Freight Export Stations (FES) within close proximity to the air and seaports.

The FES serves several key functions as follows:

- As consolidator of cargo on the national level especially small shipments /break bulk
- Monitors cargo space availability and develop quick response mechanisms for utilizing air freight that becomes available on passenger airlines
- Serves as a depot or holding area for preservation of cargo prior to shipping, in cases of excess or where schedules have been altered or are unpredictable

- Provides proper packaging and labelling of cargo at appropriate charges
- Ensures dispatch of cargo according to exports request or predetermined schedules
- Ensures that proper standards are adhered for exports in terms of packaging etc.

Overall Plan of Action

TRANSPORTATION CROSS- SECTOR

BORDER ISSUES

CONCERN	ISSUE	STRATEGY	TIMETABLE	RESPONSIBLE ORGANIZATION
Long processing time at Ports to Export Goods	Lack of comprehensive knowledge of customs and export procedures by stakeholders	Establishment of two freight export stations (FES) in Castries and Vieux Fort. Located within one-mile radius of the airports and seaports.	(3 months)	SLASPA
		(1) Conduct a needs assessment	(3 months)	SLASPA
		(2) Formulate an export procedure within the FES framework	(2 weeks)	SLASPA
		(3) Identify the location for the FES	(3 months)	Ministry of Physical Planning
		(4) Construct two freight Export Stations	2006 -2007	NIPRO SLASPA Private Sector
		(5) Commence Operation	2007 -2007	Operator of facility
Lack of coordinated effort in the exports procedure between SLASPA, Ministry of Transport and Customs Department.	Payment of customs service charge is discouraging to exports for it is not commensurate with the real cost for rendering the service but is based on the value of the exports	Revision of service charge basis and imposition of flat rate	2005	Ministry of Finance
Inadequate inter island freight /shipping services	Difficulty or inability to take advantage of regional markets especially the market for agricultural commodities in the leeward islands	Government should support the private sector through the granting of special concessions and financial guarantee for introduction of a dedicated shipping service	2005 and beyond	Ministry of Finance Private Sector



NATIONAL EXPORT COUNCIL

DRAFT ACT

Preface

The purpose of this paper is to offer a legal template for those wishing to establish a National Export Council (NEC). It is based on an analysis of national legislation, statutes and charters regarding national export councils or similar advisory bodies in Albania, Australia, Cameroon, Ghana, Ireland, Japan, Romania, the Philippines, Sri Lanka, Sweden, Tanzania, and the United States of America.

It is circulated as a draft for discussion during ITC's Executive Forum on National Export Strategy to be held in Montreux in September 2004, where professionals dealing with NECs or similar bodies will discuss most of the issues raised in the present draft. Following these discussions, a final text will be released.

This paper contains three elements: a Draft Model Enactment (model law) for Setting-up a National Export Council; an article by article commentary that includes a set of options allowing for greater flexibility in adapting the provisions of the enactment to the specific needs of each country; a set of recommendations concerning by-laws or internal regulations.

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Part One

DRAFT MODEL ENACTMENT FOR SETTING-UP A NATIONAL EXPORT COUNCIL

Article 1 Functions

- 1) The National Export Council is an independent institution for public/private deliberation, that acts in an advisory capacity to the government and the private sector over issues related to or affecting national export strategy.
- 2) National export strategy covers issues, which affect the international competitiveness of the business community, and specialized needs of sectors with high export potential.
- 3) The National Export Council:
 - a) Elaborates and recommends adoption of a national export strategy that would best respond to the needs and long term interests of the national business community;
 - b) Coordinates and monitors the implementation of the national export strategy adopted by -the government and its agencies and private sector organizations;
 - c) Identifies and allocates the resources necessary for the implementation of the national export strategy;
 - d) Assesses the effectiveness and the impact of the national export strategy.

Article 2: Structure and Organization

- 1) The National Export Council consists of:
 - a) The Council's General Meeting, which is the supreme organ of the National Export Council, has the exclusive authority to: (i) fulfil the functions of the National Export Council; (ii) adopt resolutions and recommendations in the name of the Council; (iii) establish and amend the internal regulations and procedures of the National Export Council and its subordinate organs; (iii) create and dissolve specialized committees; (iv) appoint and replace the members of the Board of Directors (if any) and the Secretary General; (v) all other matter not expressly reserved by these articles to the Board of Directors (if any) or the Secretary General;

- b) The Secretary General, responsible for: (i) the day to day management of the National Export Council and its Secretariat; (ii) preparation of reports on all issues to be referred to the Council's General Meeting for deliberation which do not fall under the authority of a specialized committee; (iii) recruitment of the Secretariat's staff;
- (iv) Communication with departments, organizations or institutions represented within NEC;
- c) The Secretariat, assisting the Secretary General in the day to day management of the National Export Council;
- d) Specialized Committees, *ad hoc* or permanent, created by decision of the Council's General Meeting, and responsible for preparing detailed reports or recommendations to the Council's General Meeting for deliberation.

Article 3: Composition of the Council's General Meeting

- 1) The Council's General Meeting is composed of [an equal number of] representatives from the public and the private sector.
- 2) Each representative is appointed by the Department [Ministry], agency, association, organization or corporation that she/he represents. .
- 3) The following [or their equivalents] shall each have one appointed representative on behalf of the public sector at the Council's General Meeting:

Department [Ministry] of Commerce, trade and Industry;
Department [Ministry] of Foreign Affairs;
Department [Ministry] of Interior;
Department [Ministry] of Economics;
Department [Ministry] of Agriculture;
Department [Ministry] of Finance;
Central bank;
Export development agencies;
Custom authorities;
Heads of the major public corporations . . .
Etc.
- 4) The following shall each have one appointed representative on behalf of the private sector at the Council's General Meeting:

Private sector representatives should include appointees of the major export oriented companies, the Chamber of Commerce and Industry, labor unions, trade and employer unions, association of industrial and agricultural producers ... etc.

List to be completed...

- 5) Each representative of the public sector is appointed and replaced in accordance with the decision of the Public entity represented. Each representative of the private sector is appointed and replaced according to the internal rules and procedures of the organization or corporation represented subject to the minimum tenure of one year.

Article 4 : Council's General Meeting

- 1) Council's General Meetings are convened at regular intervals, but at least once every three months. The Chairman of the Council's General Meeting can, on its own motion or upon recommendation by the Secretary General, convene extraordinary meetings.
- 2) The Secretary General shall serve a written notice upon each representative indicating the date of the Meeting. The notice shall be accompanied with the agenda of the Meeting and the reports detailing the issues to be debated and resolved.
- 3) The notice should be served at the latest fifteen days before the scheduled Council's General Meeting except for urgent matters or extraordinary meetings as provided above under paragraph 1.

Article 5: Agenda

- 1) Each representative at the Council's General Meeting, or an accredited outside organization, may bring an issue that falls within the functions of the National Export Council to the attention of the Secretary General for referral to the Council's General Meeting [for debate and deliberation].
- 2) The Secretary General shall establish an agenda for the Council's General Meeting. The agenda should indicate those issues that were brought to the attention of the Secretary General but were finally dismissed.
- 3) The Secretariat shall prepare, under the authority of the Secretary General, a summary report on the issues that are placed on the agenda, along with any relevant supporting materials, that are to be referred to Council's General Meeting.

- 4) Issues proposed for debate and deliberation by Special Committees are placed on the agenda of the next Meeting. The Committee requesting an issue to be placed on the agenda is responsible for preparing a detailed report on that issue.

Article 6: Deliberations and Voting

- 1) The Secretary [Minister] of the Department [Ministry] of Trade and Industry shall act as the Chairman of the Council's General Meeting.
- 2) The quorum [minimum participation requirement] is reached if a minimum of fifty percent of the total number of representatives is present at the meeting.
- 3) Each representative should be given a reasonable time to address oral communications and the opportunity to submit written comments to the Council's General Meeting on the issues placed on the agenda of the meeting.
- 4) The Council's General Meetings resolutions and recommendations are to be adopted, to the extent possible, unanimously
- 5) Failing unanimity, Council's General Meeting resolutions are adopted by a simple majority vote of the representatives present at the Meeting.
- 6) Each representative has one vote at the meeting. In the event of deadlock, the Chairman shall have a casting vote
- 7) The records and the minutes of the Council's General Meeting shall be made accessible to the public.

Article 7: Financing and Compensation

- 1) The Department [Ministry] of Trade and Industry [Foreign Trade] shall determine and finance the annual budget of the National Export Council.
- 2) The Representatives at Council's General Meeting shall receive no compensation by virtue of their service on the Council.
- 3) The employment contract and the salary of the Secretary General and the staff of the Secretariat are determined by the Department [Ministry] of Trade and Industry [Foreign Trade] in accordance with the tariffs applicable to the employees of that Department [Ministry].

Part Two

ARTICLE BY ARTICLE COMMENTARY

ARTICLE 1 - Functions

Article 1.1

The main purpose of a National Export Council (hereinafter "NEC") is to facilitate public/private partnership in the elaboration; coordination and implementation of a national export strategy that can best enhance exports and international competitiveness. .

The NEC is an independent institution composed of representatives of both the public and private sector, including labour and employer unions.

There are a variety of national institutions that fulfil functions similar to the National Export Council. In their great majority, however, these institutions are in charge of export *promotion* rather than elaboration of a comprehensive Export Strategy. A few are in charge of monitoring the implementation of national development or competitiveness plans elaborated by the government. Others act in an advisory capacity to the executive branch, as consultants to the private sector, or are in charge of preparing annual reports on national competitiveness policy.

In contrast with several export promotion councils, the National Export Council acts in an advisory capacity to the government and the private sector on a permanent and regular basis.

Since the NEC is in charge of a national export strategy, most of the existing export *promotion* agencies or associations need not be replaced by the NEC, but are to be represented on the NEC

Due to the variety of approaches to Export Councils at the national level, as well as the fact that the needs and expectations of the export community vary considerably from one country to another, the proposed Model Enactment on the NEC follows a minimalist approach, leaving room for adaptation to local peculiarities whenever deemed necessary or desirable.

The Model Enactment can be implemented through a legislative act (enacted by the legislator) or through an executive order (government decision or ordinance). A legislative may be warranted inasmuch as it can better guarantee stability, independence and autonomy of the NEC.

Article 1.2

While the NEC is concerned with the needs and expectations of the business community, its functions include determination of government policies and strategies that can best respond to those needs.

A national export strategy, as defined in Article 1.2, responds to issues, which affect the international competitiveness of the business community as a whole, and the specialized needs of sectors with high export potential. These include:

'border-in' issues (Le. capacity development, competency development and capacity diversification);

'border' issues (Le. infrastructure, procedures and documentation and transaction support); 'border-out' issues (Le. opportunity identification, in-market business support and national promotion);

'development' issues (Le. how the export sector can most effectively contribute to poverty reduction, employment generation and regional/rural development).

The national export strategy thus requires decisions on priorities with respect to sectoral (for both products and services) and cross-sectoral (e.g. trade information, trade finance, quality management, competency development and export packaging) export development initiatives. Most importantly, it requires the allocation of available resources (financial, institutional and human) in a manner consistent with these priorities.

A non-limited list of items contained in the national export strategy could be added to the text of Article 1.2. For example: "*National export strategy covers, inter alia, the following areas: capacity development, infrastructure support; identification and promotion of export expansion opportunities; employment generation and development issues; determination and allocation of resources which are necessary for the implementation of the above items.*"

Article 1 3

The NEC acts in a consultative capacity, through the adoption of resolutions and recommendations, to all branches of government, the legislator, regulatory agencies, custom authorities, national banks and public corporations as well as private agencies and corporations that are involved in, or impact on, international trade.

The work of the NEC should benefit all enterprises currently involved in export trade or that have export potential. The business community targeted is all those involved in export activities, primarily the small and medium size enterprises

(hereinafter "SMEs"), but also major private corporations and government owned or controlled corporations.

The NEC's recommendations and resolutions on every specific issue are addressed to the authorities concerned, either directly or through the intermediary of the Department (Ministry) of Trade and Industry.

The NEC provides advice to government bodies on interagency coordination of activities identified within the national export strategy.

The NEC's role remains limited to providing advice and recommendation on ways and means of securing an optimum export strategy to be adopted by various government agencies and private sector organizations; the NEC does not exercise any executive powers when fulfilling its functions.

Overall responsibility for implementing the recommendations and resolutions adopted by the NEC is incumbent upon the government and the private sector, in accordance with the laws of the country concerned, even though the NEC should be given the necessary resources for monitoring the implementation of export strategy, and benchmarking the performance of the NES.

ARTICLE 2 - Structure and Organization

While the Council's General Meeting has overall responsibility to fulfil the functions of the NEC, the Secretary General, Secretariat and Specialized Committees accomplish the necessary administrative and management tasks of the NEC.

The administrative and management tasks consist of selecting the issues to be discussed at the Council's General Meeting and preparing a detailed report on those issues in order to inform the Council and facilitate its deliberations. They are performed by the Secretariat under the direct supervision and responsibility of the Secretary General.

The Secretary General can be selected from either the public or private sector representatives, or can be a personality with no link to or independent from the NEC.

The Specialized Committees, created by the Council's General Meeting on an either *ad hoc* temporary or permanent basis, discharge the tasks of the Secretariat over the subject matter they have been created for. For example, the Council may feel the need to create a special committee to address a key competitiveness issue, a particular export sector, or a particular client group (e.g. SMEs). It may

also be advisable to create a Special Committee for those commodities, resources or products that concern a major part if not the bulk of a country's national exports.

One of the purposes of a NEC is to give a voice to SMEs in the elaboration and evaluation of the National Export strategy. Given that SMEs have generally little or no access to export policy and strategy networks, while playing a vital role in the development and expansion of national exports, best practices suggest the creation of a SMEs special committee on a permanent basis.

In order to avoid an excessive concentration of power within the administration (the Secretariat) and its chief (the Secretary General) in large NEC's where the Council's General Meeting cannot adequately supervise the work of the administration, an intermediary organ, called the Board of Directors, in charge of supervising the administration could be created, in which case the following provision should be added to Article 2.1:

(Optional) Article 2.1.e

e) *The Board of Directors, in charge of supervising the activities of the Secretary General, the secretariat of NEC and the specialized committees;*

ARTICLE 3 - Composition of the Council's General Meeting

Article 3.1

Even though the number of NEC representatives must be left to the discretion of each country adopting the Model Enactment, best practice suggests that the NEC should neither be too large nor too small. Its composition should be representative of the major actors involved in, or that impact on, export trade. Comparative study of the existing National promotion and competitive councils suggests that a number of representatives over 40 may be excessive and that most have at least 20 (surely this also depends on country size.). An NEC composed of more than 40 members may be too large to function efficiently, and an NEC composed of less than 20 members too small to be representative of the stakeholder in the export policy and strategy.

Thus, the proposed Article 3.1 would read: *'The Council's General Meeting is composed of forty representatives: twenty from the public sector and twenty from the private sector.'*

Article 3.2

The NEC representatives are appointed, not elected, since they also represent, promote and defend the corporate interests of the business community or the public agency they represent.

Article 3.3

The list should be completed by national lawmakers in accordance with the specific needs and characteristics of each country, its level of development, the size and nature of its economy.

Article 3.4

This list should be completed by national lawmakers in accordance with the specific needs and characteristics of each country, the level of development, the size and nature of its private sector.

Consideration should be given for representation of major trade unions', employer unions', agricultural and industrial producers unions', chambers of commerce's, association of exporter's, major private banks', etc.

Representation of one or more associations or union of export oriented SMEs is important. SMEs are often under-represented in policy and strategy support networks. Where no such association or union of export oriented SMEs exists on the national level, it may be advisable to create such a structure.

Article 3.5

It is recommended that departments [Ministries] be represented by a senior secretary or a 1st deputy appointed by the minister or secretary in charge; other government agencies and public corporations should be represented by their highest executive officer, ordinarily., the acting Director General or Secretary General.

Best practices also suggest that the private sector members of the NEC be represented by a senior executive officer, ordinarily the acting Director General or Secretary General.

(Should the national legislator wish to follow this recommendation, Article 3.5 could be drafted as follows:

"Each representative of the public sector is appointed (and replaced at any time) in accordance with the decision of the Department [Ministry] in charge. Each

representative of the private sector shall be the highest level Executive Officer of the organization or corporation represented subject to the minimum tenure of one year.

The minimum tenure rule is designed to secure some stability for the NEC, in order to best protect members' freedom of speech and to prevent any exercise of undue pressure or interference on private sector representatives in the exercise of their mandate within the NEC. No such minimum tenure is warranted for public sector representatives. There is no limit for maximum tenure.

As an option, and in order to reinforce still further the stability of NEC if and when needed, the minimum tenure could be extended to two years or more.

Optional Article 3.6

For large NEC's (see above footnote no. 1) where there is a need for a Board of Directors, the following option is proposed to be added to Article 3:

"6.

National Export Council's Board of Directors shall be composed of five members, three from the private sector and two from the public sector, to be elected from 'among the members of Council's General Meeting.'

Best practices suggest that the majority of the members of the Board of Directors be elected from the private sector essentially because the work of the NEC is business oriented, that the NEC is destined to reflect the opinion interests and advice of the private sector to the government and its agencies, and that the function of the Board of Directors essentially consists of approving the agenda of the Council's General Meeting and the reports prepared by the Secretary General and the Secretariat.

ARTICLE 4 - Council's General Meeting

Article 4.1

The Model Enactment proposes flexibility in convening the meetings of the Council. As an option, the Enactment can fix regular intervals for the Council to meet (monthly, bi-monthly, quarterly).

Article 4.2

Should there be a Board of Directors (see the above footnote 1 and optional Articles 2.1.e and 3.6), it is the Board of Directors that shall be in charge of approving the agenda prepared by the Secretary General. The Board of Directors

shall approve the agenda and the reports, but shall not express any opinion on the controversies that are to be debated and resolved by the Council's General Meeting.

Article 4.3

Timely service of the notice should be regarded as mandatory. The fifteen days advance notice should be the strict minimum for the representatives to study and become familiar with the issues.

ARTICLE 5 - Agenda

The agenda of issues to be referred to the Council's General Meeting plays a crucial role in the correct functioning of the NEC. It is, therefore, recommended to regulate the agenda in the law itself. As an option, however, the agenda can be regulated in the Bylaws (charter or internal regulations) of the NEC.

Article 5.1

Each representative is recognized the right to propose an issue to be referred to the Council's General Meeting for debate and deliberation. The NEC being an open organization, it is recommended to recognize the same right of initiative to outside organizations and corporations who are not represented at the Council's General Meeting. In order to set a reasonable limit to the right of access to NEC, however, the Model Enactment proposes that the right of proposing issues for referral to the NEC be recognized to those outside organizations or corporations that are duly accredited.

A list of accredited organizations and corporations can be established by the Secretariat of the Council under the supervision of the Council's General Meeting, admitting those organizations whose activities are significantly affected by or significantly affect national exports.

Article 5.2

Council's General Meeting decides, through a simple majority vote, whether an issue proposed by a representative or an accredited outside organization should be referred to the Council's General Meeting or, on the contrary, be dismissed.

As an option, the law may add a time limit for representatives to submit their proposals (e.g. two months in advance of a meeting), and a time limit for the Secretary General to establish the agenda (for instance, one month in advance of a meeting).

Article 5.3

The report summarizes the terms of the debate and the various problems over which the Council is called upon to deliberate. .

As an option, the law can require the Secretariat to prepare a more detailed report. In that instance, the Secretariat should be given the necessary resources and a reasonable period of time to prepare an in-depth report on the issues that are to be examined and resolved by the Council. Issues requiring an in-depth analysis, however, are ordinarily treated by specialized committees (see below Article 5.4) and not the Secretariat.

Article 5.4

Issues referred to the Council by the Specialized Committees would normally not be subject to scrutiny by the Secretary General and the Secretariat. Specialized Committees, created for treatment of specific subject matter areas, prepare detailed reports over issues they intend, to refer to the Council for debate and deliberation.

Optional Article 5.5

In the event that the law to be adopted provides for the creation of a Board of Directors (see above footnote 1, optional Articles 2.1 (e) and 3.6, and comment under Article 4.2), the following paragraph 5, could be added to Article 5, depending on whether or not greater control over the Secretary General's powers is to be exercised:'

5) The agenda and its accompanying reports are then submitted to the Board of Directors for final approval. The Board can order the Secretary General to modify or amend the agenda and its accompanying reports as it deems appropriate.

If the option is retained, the Board may exercise its supervisory powers in various ways: the agenda (and its attached reports) which is prepared by the Secretary General, must be approved by the Board of Directors; the Secretary General may be required by the Board to place back on the Agenda issues that were dismissed by the Secretary General, or alternatively that issues placed on the agenda be removed. The Board can also require that reports prepared on issues placed on the agenda by the Secretariat or the Specialized Committees be revised.

For purposes of transparency, the law could add the requirement that decisions taken by the Board be justified and substantiated.

ARTICLE 6 - Deliberations and Voting

Article 6.1

Article 6 1 provides that the chairmanship of the NEC belongs to the Ministry of Trade and Industry, given that the NEC acts as an advisory body not only to the private sector, but also to the government and its agencies, in particular the Department [Ministry] of Trade and Industry (or where available, Department [Ministry] of Foreign Trade). There are of course various other possibilities and options. Should emphasis be put on the consensual nature of the NEC and in order to reinforce the concept of Public Private Partnership, the law could provide for a co-chairmanship, one from the public sector and another from the private sector.

Article 6.3

Given that the NEC is a forum of public/private debate and deliberation, it is essential that each representative's right to be heard at the Council's General Meeting be protected. This right should be exercised, however, within reasonable limits.

As an option, the law can provide for a minimum or maximum duration of the Meeting. It is advisable, however, to leave the issue of duration to the discretion of the Chairperson (s) in the event of co-chairmanship) of the Council's General Meeting, subject to the respect of each representative's right to be heard.

Another option would be to specify the procedure for submitting written comments, in particular, provided that the Secretariat is given adequate time to circulate these comments to the members of the Council within the 15 day notice period. Unexpected or urgent matters for discussion can be adopted by simple majority vote during the council meeting. These procedures can also be regulated through the internal regulations of the Council's General Meeting.

Article 6 4 to 6.6

The NEC is a forum for debate and deliberation, acting in an advisory capacity to the government and its agencies as well as the private sector, with the purpose of identifying the most suitable national export strategy, that would best respond to the needs of the national export community. Therefore, a; a matter of principle and to the extent possible, the NEC should ideally adopt its decisions by consensus, (unanimous vote). When such consensus is not possible, the NEC will adopt its decisions through a simple majority vote.

As an option, the law can provide an additional clause, to the effect that: *'Each resolution or recommendation is accompanied with the written dissenting opinion of representatives who wish to express public/y their views against that resolution or recommendations.'*

Article 6.7

The Model Enactment is based on the premise that transparency of the Council's General Meeting and the freedom of opinion and expression of its representatives are crucial to the success of the NEC.

In this regard, a tested guarantee for such transparency and independence is to render NEC accountable to the general public by making the records and minutes of the Council's General Meeting publicly accessible.

As an option, the law can provide for an obligation of confidentiality (accompanied with criminal penalties for offenders) for the Council representatives with regard to information made available to them in the course of the NEC internal procedures or during the Council deliberations and prior to the publication of the Council's records and minutes.

ARTICLE 7 - Financing and Compensation

Article 7.1

Article 7.1 is optional. Since the NEC would be an entirely new institution in many countries, and since the NEC is primarily destined to act in an advisory capacity to the government and government agencies as well as the private sector in the national interest, it appears that, at this initial stage, imposing mandatory participation of private corporations in the financing of NEC could create uncertainty and become an impediment to their active participation. The Model Enactment, therefore, considers that the better option is for the Department [Ministry] of Trade and Industry [Foreign Trade] to become the primary source of financing for the NEC.

As an option; it is recommended to adopt this solution only for a transitional period of three to five years. Thereafter, and once the NEC is well established and demonstrates its capacity to work constructively with -and to protect the interests of -the private sector, the latter could be invited to finance fifty percent of the NEC's annual budget. This could be achieved through various systems: a fixed amount paid by each organization/sector represented at the NEC or an amount based on each organization's annual income, calculated on a *pro rata* basis. If the private organization represented is an association or grouping of

different corporations, its annual income could be determined as the aggregate annual income of all its members.

Article 7.2

Article 7.2 is optional. The Model Enactment considers that the NEC should, not become an additional source of income for Representatives of the public and private sector. By participating in the work of the NEC, public sector representatives are merely fulfilling their public mandate. Private sector representatives act on behalf and in the interest of the organization that employs them, as well as their social responsibilities. Both public and private representatives are in principle compensated through their salary.

As an option, the law can provide that each representative is entitled to receive compensation for transportation and travel expenses in the fulfilment of duties sanctioned by the NEC.

Article 7.3

Article 7.3 is optional. The law can provide a different basis for determining the salary of the Secretary General and the Secretariat's staff.

Optional Article 7.3

Should the law provide for the creation of a Board of Directors (see above footnote no. 1), the following paragraph may be added to Article 7:

4) The members of the Board of Directors are compensated on a daily basis in accordance with a tariffs established by the Department [Ministry] of Trade and Industry.

Part Three

RECOMMEDATIONS ON THE ADOPTION OF BYLAWS (INTERNAL REGULATIONS) FOR THE NATIONAL EXPORT COUNCIL

1 The Flexible Option: The Model Enactment Is Self Sufficient

The first option allows the NEC to function with a large degree of flexibility and informality.

Under this first option, the Model Enactment on NEC would be sufficient and need not be supplemented by Bylaws or Internal Regulations.

Rather than adopting Bylaws or Internal regulations, the Council's General Meeting can from time to time adopt and/or amend the rules of procedures (Article 2.1.a.ii Model Enactment) that are needed to be followed by the General Meeting itself, by the Board of Directors and the Secretary General.

2 The Formal Option: Adopting Bylaws or Internal Regulations

The other option is for the Model enactment on NEC to be supplemented by a set of Bylaws or Internal regulations, restating and repeating in more detail provisions of the Model Enactment and the manner in which those provisions are to be implemented.

The adoption of Bylaws or Internal regulations falls under the authority of the Council's General Meeting (Article 2.1.a.ii Model Enactment).

The content of the Bylaws or Internal regulations would depend on the composition and the day to day practice of the NEC and its organs in the specific economic and political environment of each country who has decided to incorporate the Model Enactment. As a best practice, it is recommended that the Bylaws be drafted by a Special Committee appointed by the Council's General Meeting one year after the establishment of the NEC, on the basis of the practice and experience gathered during that first year.

In addition to repeating in more detail the provisions of the Model Enactment, the Bylaws or Internal regulations should cover, for instance, the following areas:

A more precise definition of objectives of the NEC (Article 1.1 Model Enactment): what are the particular challenges facing the Nations export promotion, development, expansion, strategy and policy? How do we define these terms?

Creation of a permanent Special Committee for interagency coordination (Article 1.2.b Model Enactment)

Creation of a permanent Special Committee for monitoring the implementation of the national export strategy (Article 1.3 Model Enactment).

Creation of other permanent Special Committees, e.g. for SMEs (See Commentary to Article 2 of the Model Enactment) or other groups

The organization of the Council's General Meetings: the manner of voting at the Meetings, the form of recommendations and resolutions, the holding of records and drafting of the minutes of the Meetings by the Secretariat, the length of the Meetings and the procedure for their prolongation, the deferment of decision on

issues on the agenda to the following Meeting, the requirement of qualified majority of votes for amending the Bylaws (once adopted), the requirement of qualified majority of votes for appointing or removing the Secretary General, the Members of the Board of Directors, the members of Specialized Committees... etc.

The maximum term in office of the members of the Board of Directors, and allowing the Board to adopt its own internal rules and procedures.

The organization of the Secretariat and the powers of the Secretary General (Article 2.1.c Model Enactment): the number of staff members, the resources of the Secretariat for preparation of reports.

Determining the resources available for Special Committees and providing that each Special Committee shall regulate its own internal procedure.

The list of private sector organizations under Article 3.4 the Model Enactment can appear in the Bylaws or Internal regulations so it can be easily adjusted and amended in order to include new organizations or corporations and remove others that are no longer sufficiently involved in or affected by export related activities.

Detailing Article 3 Model Enactment and providing for the holding of a registry by the Secretariat of the name of Representatives and their term in office.

(As indicated in the Commentary to Article 4 Model Enactment, the Agenda can be integrated into the Bylaws or Internal regulations. The Bylaws can, nevertheless: set time limits under Article 4.2 (see Commentary), and set the procedure and deadlines for the Board of Directors approval of the Agenda and Reports prepared by the Chief Executive Council.

Set the intervals for the sessions of Council's General Meetings and convocation of extraordinary Meetings (Article 5.1 Model Enactment).

Fix the conditions for oral communication (maximum time of intervention) and submission of written comments (latest timing for submission) as provided by Article 6.3 Model Enactment, give the Chairman of the Meeting discretion to determine the length of a Meeting (see Commentary of Article 6.3).

Detail the duty of confidentiality incumbent upon the Representatives (see Commentary Article 6.7).

Detailing financial matters provided by Article 7 of the Model Enactment.



List of Acronyms

ADA - Agricultural Development Agency
AGC - Attorney General's Chambers
BOSL - Bank of Saint Lucia
CARDI - Caribbean Research and Development Institute
CARILEC - Caribbean Electric Utility Services Corporation
CARICOM - Caribbean Common Market
CCIA - Chamber Commerce, Industry and Agriculture
CDB - Caribbean Development Bank
CDF - Cultural Development Foundation
COC - Saint Lucia Chamber of Commerce, Industry and Agriculture
CROSQ - Caribbean Organisation for Standards & Quality
CSME - Caribbean single Market and Economy
ECCB - Eastern Caribbean Central Bank
FES - Freight Export Stations
GDP - Gross domestic Product
GIS - Government Information Service
GOSL - Government of Saint Lucia
HMS - Hewanorra Music Society
IICA - Inter-American Institute for Cooperation on Agriculture
IPO - Investment Promotion Organization
ITC - International Trade Center
LUCELEC - ST. Lucia Electricity Services Ltd.
MAFF - Ministry of Agriculture, Forestry and Fisheries
MC - Ministry of Commerce;
MCW - Ministry of Communications and Works
ME - Ministry of Education
MEA - Ministry of External Affairs
MF - Ministry of Finance
MHA - Ministry of Home Affairs (Police)
MPD - Ministry of Physical Development
MST - Ministry of Social Transformation
MT - Ministry of Tourism
NAO - National Authorizing Office for EU
NCSTD - National Council for Science and Technology Development
NEC - National Exports Council
NIPRO - National Insurance Property Development and Management Corporation
NRDF - National Research and Development Foundation

NTN - National Television Network
OESC-EDU - Organization of Eastern Caribbean States, Export Development Unit
OPSR - Office of Private Sector Relations
RACI - Responsible, Accountable, Consulting and Informing
RSLPF - Royal Saint Lucia Police Force
SALCC - Sir Arthur Lewis Community College
SEDU - Small Enterprise Development Unit
SLAA - St. Lucia Agriculturalist's Association
SLASPA - St. Lucia Air and Seaports Authority
SLBS - Saint Lucia Bureau of Standards
SLBS - St. Lucia Bureau of Standards
SLHTA - St. Lucia Hotel and Tourism Association
SLMB - Saint Lucia Marketing Board
SLTB - Saint Lucia Tourist Board
SMA - Saint Lucia Manufacturers Association
SME - Small and Medium size Enterprises
TBT - Technical Barrier to Trade
TEPA - Trade Export Promotion Agency
TNA - Technical Needs Assessment