

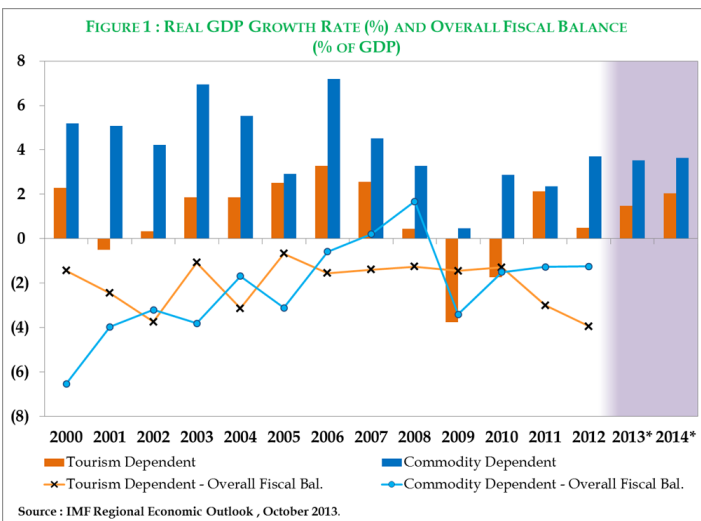


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## THE “*POSSIBLE*” KEY TO CARICOM COUNTRIES DEBT RECOVERY –TOURISM

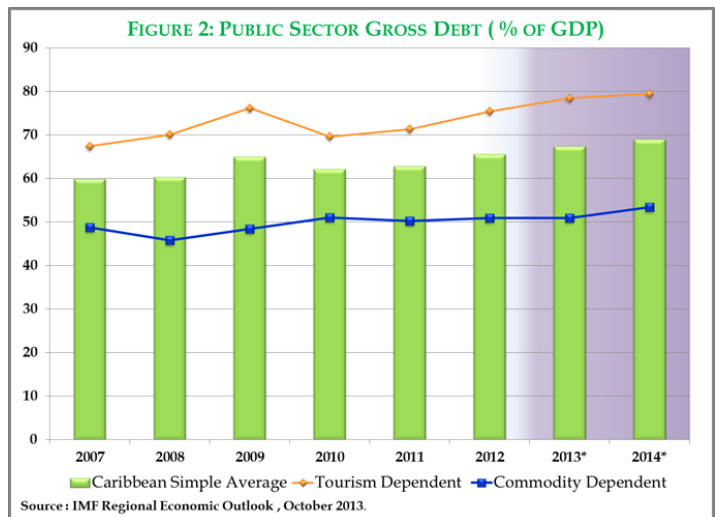
The Caribbean region has proven itself to be resilient, surviving financial crises, natural disasters and political unrest. The last 10 years have been a demanding time for many economies of the region, with low growth levels, high inflation rates, high unemployment rates, fiscal imbalances and high debt levels. There is an uneven growth dynamic occurring with the CARICOM-Caribbean region with the countries that are fortunate to have natural resources and are commodity exporting economies (Belize, Guyana, Suriname and Trinidad and Tobago) having relatively stable economic growth rates in their economic activities while the tourist dependent countries (Aruba, The Bahamas, Barbados, Curacao and Sint Maarten, ECCU, Haiti and Jamaica) have either been experiencing stagnant or negative growth rates (Figure 1). In the 1960’s and 1970’s most Caribbean economies

in Caribbean economies under strain, in particular those economies whose mainstay economic activity is tourism. The current rising debt levels (Figure 2) of the CARICOM economies are



shifted their dependency from agriculture to tourism. Economic activities with the region have been stagnant in particular for countries that were tourism dependent. Figure 1 shows that their growth rates fluctuated between 4% and -4% over the review period 2000 – 2013. Economic activity is expected to remain below four per cent in 2014.

The role of stimulating economic activity was then taken up by governments. In all CARICOM economies governments had to finance projects that would generate some economic activity within their country. As a result fiscal imbalances in some cases became unsustainable (Figure 1). The increase in public spending on social programmes, education and job creation has resulted in high budget and trade deficits financed primarily by borrowing. High debt levels and weak growth have kept the fiscal positions



worrisome. The tourism dependent economies on average have higher debt levels than the commodity dependent economies. The IMF, IDB and CDB reports of 2013 /14 have stated that debt has negatively and significantly affected growth in the Caribbean region in the past 10 years. The debt burden of the CARICOM countries is a major problem that needs to be addressed. For the year 2014 there have already been three<sup>1</sup> conferences in the Caribbean region that focused on the debt burden and fiscal sustainability of the region.

How can these countries be able to achieve growth that is sustainable and long term given the fact that they are very vulnerable small open economies? – Tourism experts are of the view that the key to the economic problems of the Caribbean region is having sustainable tourism<sup>2</sup>. Dr. C. Fred Bergsten<sup>3</sup> is of the view that the Caribbean countries can achieve long term sustainable growth from doing what they do best, that is, having a regional approach to tourism. He suggests that the Caribbean region will have a comparative advantage if they pool their resources to

<sup>1</sup>ECLAC 16th Regional Seminar , Santiago, Chile 20th -21st January , 2014 ; Meeting of Experts on Debt Burden in the Caribbean , Port of Spain , Trinidad , 24th February 2014 ; Debt Problems of Small Vulnerable States: A Time to Act, 24th February , 2014 , United Nation , New York.

<sup>2</sup>This was the view of presenters at “Tourism as a Key Sector for Development in Island States” was jointly organized by the Ministry of Tourism of The Bahamas and the UN-WTO and took place from February 19th -20th , 2014 in Nassau, Bahamas.

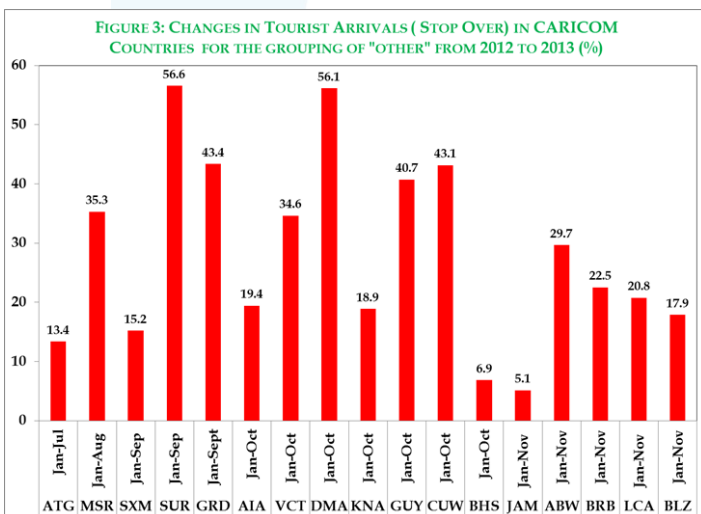
<sup>3</sup>Dr. C. Fred Bergsten is a Director Emeritus of the Peterson Institute, in his address at the first ever Caribbean Economic Forum on 19th February 2014 in Barbados.

## THE “POSSIBLE” KEY TO CARICOM COUNTRIES DEBT RECOVERY – TOURISM CONT’D

promote a Caribbean tourism product which will result in a significant boost in economic activities and increase foreign currency revenue flow. Caribbean economies will then also be able to reduce their debt burdens. Basically the strategy being proposed is to grow out of debt, a process which may be a long term goal given the current economic state of most of the CARICOM economies.

The Caribbean Tourism Organisation (CTO) expects tourism in 2014<sup>4</sup> to increase between two and three per cent. A challenge that the Caribbean region faces is to find innovative ways to promote, enhance and widen the tourism sector. According to a review of recent studies and presentations of tourism and economic experts the following issues should be considered if tourism in the Caribbean is to be the key to improving the debt burdens of the region.

1) **Finding New Markets.** The traditional tourism markets of the Caribbean are the USA and the Euro Area whose weak economic performance has indirectly affected Caribbean tourism. The number of tourist that came to the Caribbean from these regions has declined significantly since the world recession of 2007. This highlights the need for the Caribbean countries to market themselves to new territories and to attract a “new” kind of tourist. The most recent data available for 2013 show that the “Other” countries have increased their visits to the Caribbean economies (Figure 3). For example St. Kitts and



Nevis (KNA) reported an 86.7 per cent increase in tourist arrival from “other” countries for the period January to October 2013 when compared to the same period in 2012. Studies in the past eight years and tourism experts from the United Nations World Travel Organisation (UNWTO) and CTO have concluded that the new markets for Caribbean countries to target for tourist are China and South America, in particular Brazil.

2) **Improve the efficiency and competitiveness of the Caribbean tourism as a single destination product**<sup>5</sup>. The CTO states that

Caribbean is more dependent on tourism to sustain livelihoods than any other region of the world. This fact alone should be a reason for CARICOM to develop and promote a Caribbean tourism product that is on par or better than any other region of the world. A regional approach to offer a complete Caribbean experience is an approach that may be the key in attracting new tourists from both regional and international markets. One suggestion is that countries should cooperate and brain storm with each other to develop a package that includes a round trip offer that involves island hopping, similar to the Europe Tour experience of going to London, Paris and Rome. Within the CARICOM countries a variety of packages can be offered with a mixture of countries and type of tourism activity. Each country is unique; the Caribbean is one of the few regions in the world that can boast of such an extensive variety of cultural and natural diversity in such a small and interconnected geographic area. The Caribbean region offers tourism products that are appealing to many tourists: Sea-Sun-Sand, Cruise, Yachting, Sport, Culture and Events, Environmental and Health. It is estimated by the CTO that its member countries have only one per cent of the world’s population yet attract three per cent of global tourism arrivals and expenditure each year. This highlights the fact that the economies although small and open, have the potential to capture a share of the huge world tourism market. Even if the share is a small per cent it would be a monumental change for their economy.

3) **Making travelling to and within the Caribbean region more accessible and less costly.** Increasing airlift to Caribbean countries is one way of ensuring that there is an accessible route to the region. There are basically two ways that air connectivity can be increased. Either airlines can take the initiative and establish routes to the country because there is a market demand for it or the primary stakeholders of the country take an initiative and bring airlines to set up an airlift thereby creating a market need. The second option is very costly as most times the stakeholders will have to pay the airlines if they do not have a demand for seats on their flight for them to make a profit. The best option then will be to have airlines take the initiative and establish a route. There is interest in the Caribbean region with airlines adding new flights to a few CARICOM countries. In 2013 there were approximately 11 inaugural international flights that occurred for CARICOM countries – Jamaica, Haiti, Guyana and Trinidad and Tobago. However regionally airlift between the member countries is very problematic and costly. There needs to be some incentives and investments in developing the regional airlift of the Caribbean. Two main reasons stand out; firstly, the cost of travelling regionally is on the same level as travelling abroad to the USA, hence many Caribbean tourists simply go aboard

<sup>4</sup>Chairman of The CTO, Beverly Nicholson-Doty, announced at the release of the annual “State of the Industry Report” in New York on 10th February 2014.

<sup>5</sup>A view shared for a long while by some but also recently reiterated by the Honorable Prime Minister of Jamaica, Mrs. Portia Simpson-Miller and Dr. C.F. Bergsten (February 2014).

## THE “POSSIBLE” KEY TO CARICOM COUNTRIES DEBT RECOVERY –TOURISM CONT’D

for vacation as oppose to travelling within the Caribbean. If the cost of regional travel is reduced there will be then be a “new” regional market for tourism. Secondly, if the plan of a Caribbean experience (point 2) is to be fully operational, the ease with which the tourist can move from one country to another at a reasonable cost will be an important element in that plan.

By Julia Jhinkoo  
Junior Research Fellow  
Caribbean Centre for Money and Finance

### REGIONAL NEWS

#### CL FINANCIAL

- CLICO recorded a 2012 after-tax profit of close to \$3.8 billion, which was more than five times greater than the \$702 million it declared in 2011. CLICO declared profits of \$6.2 billion from its investing activities for the financial year, which eclipsed the \$2.2 billion loss from insurance activities. (TG 8 Feb)
- The CLICO Policyholders Group said it was “deeply concerned and disappointed” to learn the former insurance giant was obligated to sell its majority 56% shareholding in Methanol Holdings Ltd to minority shareholder Consolidated Energy Ltd as per a decision of the International Court of Arbitration late last year. (TE 9 Feb)
- Former CL Financial chairman Lawrence Duprey says the \$3.8 billion after tax profit CLICO made in 2012 is “irrelevant to him.” However, Duprey said the way the insurance company was structured, CLICO should have been able to net in excess of \$10 billion annually “because it was an assets based company ...” (TG 10 Feb)
- Government is now actively considering putting collapsed insurance giant CLICO’s \$8 billion worth of profitable business on the open market rather than transferring it into Atrius, the company established last year specifically to acquire these assets. (TE 12 Feb)
- Governor of the Central Bank of Barbados, Dr. Delisle Worrell says a cooperative solution has been found to settle outstanding Colonial Life Insurance Company claims in Barbados and the Eastern Caribbean. (Carib360 26 Feb)

#### CARIBBEAN

- The decision by the Caribbean hotel group, Sandals Resorts International, led by Gordon "Butch" Stewart to invest in two hotel projects in Barbados should help to boost that country's economy at a time when it is experiencing fiscal difficulties. (JO 31 Jan)
- Royal Bank of Canada will take a CAD\$60 million (\$5.9 billion) loss on the sale of its Jamaican operations to Sagicor Group Jamaica. (JO 31 Jan)
- Grenada and St Kitts and Nevis have both announced that they will join the Bolivarian Alliance for the Peoples of the Americas, known by its Spanish acronym ALBA. (CNnow 31 Jan)
- The Barbados government began laying off the first batch of workers in the public service, as it seeks to reverse an ailing economy. (TE 1 Feb)
- In Trinidad and Tobago, on a year-on-year basis, headline inflation accelerated to 5.6% in December 2013, Core inflation remained unchanged at 2.0% (year-on-year) in December 2013. For 2013, as a whole, core inflation was contained, ranging between 1.9 and 3.1% (TE 1 Feb)
- Loans to hoteliers in Tobago have and will continue to be provided based on their credit worthiness, and not merely on the existence of a guarantee. (TG 1 Feb)
- Banking giant RBC Financial (Caribbean) Ltd is continuing to streamline its operations, this time sending home 20 employees from its Business Development Unit at a number of branches across the country. (TE 2 Feb)
- Chris Powell, co-founder of US based Gold Anti-Trust Action Committee accuses western countries and institutions of deliberately keeping the price of gold at a low level. (De Ware Tijd 3 Feb)
- With thousands worrying about the possibility of retrenchment, Republic Bank (Barbados) announced the introduction of a Financial Care Unit, to provide financial advice to customers facing challenges anticipated by imminent layoffs in the public sector, and any further contraction in the economy. (BAdv 4 Feb)
- Barbados is moving steadily towards an Inter-Governmental Agreement with the US to give effect to the Foreign Account Compliance Act. The Government will negotiate with the US to ensure that institutions like credit unions, pension funds, government entities and international institutions that present a low risk of US tax evasion are exempt from the provisions of FATCA under a special annex to the IGA. (BAdv 4 Feb)
- The Grenada government is calling on trade unions to accept a three-year wage freeze as it seeks to enter into an agreement with IMF to deal with an ailing economy. (BN 4 Feb)
- More public sector employees joined the breadline as the Government came under fire for “wildly” axing workers. There was a flurry of reports about lay-offs in small batches across Government agencies. (BN 4 Feb)
- The Guyana Revenue Authority has reported a dramatic increase in revenue collection at the notorious smuggling hotbed of the Guyana/Suriname border, with tax collection moving from approximately \$7 million to a whopping \$25 million weekly. But it is still to hone in on a port at Line Path, which



## REGIONAL NEWS SUMMARY CONT'D

- GRA chief Khurshid Sattaur admitted was problematic. (GuyTim 5 Feb)
- National Commercial Bank Jamaica let go another 54 jobs as part of a transformation plan that may result in even deeper cuts down the line. The decision was made as part of the bank's strategy to maintain a leading position in Jamaica while pursuing expansion in the Caribbean. (JO 5 Feb)
  - Saudi Arabia's Islamic Development Bank board of directors approved a US\$60-million loan for Suriname's health sector, which was part of US\$705.18 million of new financing focusing on infrastructure, and human development in member countries and the education sector in Muslim communities in non-member countries. (CNnow 5 Feb)
  - Energy giant BHP Billiton has taken a leap of faith in the potential of the country's largely untested deep water acreages, committing to investing up to US\$1 billion to exploration. (TE 5 Feb)
  - The bridging of the Corentyne River that will link Guyana and Suriname remains a key area of focus for the governments of both countries, and at present the structure's design is being formulated. The bridge will be funded by the Chinese government. (CNnow 6 Feb)
  - A parliamentary select committee on Tuesday demanded answers from the Bank of Jamaica about a raft of bank charges, including a \$500 monthly fee for dormant accounts and charges for interim bank statements ranging from \$1,800 to \$2,200. (JG 6 Feb)
  - 2014 promises to be a difficult year for Suriname in financial terms. Gold and oil will continue to yield fewer revenues due to dropping world market prices. (de Ware Tijd 6 Feb)
  - The Barbados Council for the Disabled and its initiative, the Fully Accessible Barbados programme, are affording persons with disabilities who are visiting the island an opportunity to experience Barbados beyond the decks of their cruise liners. Hence other organisations, places of interests and businesses are being encouraged to become accessible. (BAdv 6 Feb)
  - Effective May 7, the Central Bank of Barbados will no longer issue one cent coins. A rounding system will however be in place for cash payments at checkout points and consumers will gain or lose a maximum of two cents. (BAdv 7 Feb)
  - FirstCaribbean International Bank Limited, the regional group owned by CIBC of Canada, said that it is likely to be delisted from the Jamaica Stock Exchange in the near future. (JG 7 Feb)
  - The IDB says it is providing Jamaica with US\$140 million in loans for various projects to sustain the island's future socio-economic growth. (JO 7 Feb)
  - At least three Caribbean countries have committed themselves to using renewable sources of energy like wind, solar and the earth's heat to generate electricity. (Carib360 7 Feb)
  - The Multilateral Investment Fund, a member of the Inter-American Development Bank Group, has approved a US\$150,000 grant to support CariCRIS to expand its small and medium enterprise rating activities, and to work with commercial banks to incorporate CariCRIS' SME ratings in their loan appraisal process. (TG 7 Feb)
  - The Guardian, a British daily newspaper and the third most widely-read online news site in the world, has published a report that highlights T&T, and in which the International Financial Centre and other national agencies are featured. (TG 7 Feb)
  - The Employers' Consultative Association of T&T has just released the 2011/2013 edition of its Handbook of Wages and Salaries in Trinidad and Tobago (TG 9 Feb)
  - The Arthur NR Robinson International Airport at Crown Point in Tobago last Friday became the first airport in the Caribbean to be afforded an International ISO 14001 Environmental Management certification. (Newsd 10 Feb)
  - The establishment of effective trade facilitation offices, both at national and regional levels has been recommended as a key to CARICOM taking greater advantage of trade agreements with third countries (CNNow 10 Feb)
  - In the traditional source markets, where recovery is occurring, things are looking up, as is the case in the US source market. However, the slow recovery in Canada and in Europe coupled with its introduced taxes, are still impacting regional tourism to a large extent. (BAdv 11 Feb)
  - Despite slower arrival growth in the Caribbean tourism sector last year, visitors to the region spent an estimated US\$28.1 billion, a 2.3% increase over the 2012 figures. (TG 11 Feb)
  - An unusually large tax bill and a big write-off of bad loans pushed RBC Royal Bank Jamaica deep into the red last year, with a reported net loss of J\$3 billion, according to its newly released annual financial statements. (JG 12 Feb)
  - More than 300,000 children in Jamaica are expected to benefit from expanded and improved early-childhood development programme, as a result of US\$12 million in additional funding approved by the World Bank's board of executive directors. (JG 12 Feb)
  - The Caribbean Community said it is concerned at the continuing delay in Guyana's progress towards implementing recommendations to address deficiencies in its anti-money laundering regime. (SN 12 Feb)
  - A central revenue agency bringing together four of Barbados' main revenue collecting agencies and processes under one legislative heading is on the way. Minister of Finance and Economic Affairs Chris Sinckler has outlined the background of the Barbados Revenue Authority (BAdv 13 Feb)
  - The IMF reported that the Barbados' Government had sent home 1 800 public sector employees so far and was on track with its economic stabilisation measures. (BN 13 Feb)
  - The Caribbean Development Bank said that regional countries experienced average economic growth of 1.5% last year as compared with 1.2% in 2012. (Carib360 13 Feb)
  - The IMF acknowledges that the Barbadian authorities have recognised the need for urgent action, and that the announced measures, if fully implemented, would serve to lower the fiscal deficit to 4.9% of GDP by fiscal year 2014/15, and would help to restore stability to external flows. (CNnow 13 Feb)
  - Australian Prime Minister Tony Abbott has confirmed that his government has reversed an aid pledge to construct a new, state of the art parliament building in Grenada, a project that

## REGIONAL NEWS SUMMARY CONT'D

- is only weeks away from beginning construction. (CNnow 13 Feb)
- More staff, a wider 4G network and venturing into information and communications technology are all part of Digicel plans as it prepares to invest millions more in the Barbados market. (BN 14 Feb)
  - Jamaica has met all the quantitative targets of the IMF, paving the way for a drawdown of US\$71 million. (BN 14 Feb)
  - The first so-called Caricom Enterprise, modeled on the government's vision, has materialized. State Mining Company Grassalco is close to establishing a joint venture with the Barbadian C.O. Williams Construction for the export of aggregates and the import of limestone. The two companies will be operating from a jointly founded company Surcalcia. (de Ware Tijd 15 Feb)
  - The US-based international credit rating agency, Moody's Investors Service, has changed the outlook on Suriname's Ba3 government bond rating from positive to stable. (Carib360 16 Feb)
  - RBC Royal Bank does not "at this time" intend to close any branches, the company said in a full page ad published in the national press. (TE 17 Feb)
  - The Caribbean Development Bank projects that Guyana, along with Suriname and Haiti, will take the lead amongst the regional economies, in terms of accelerating growth in the next two years. (GCO 17 Feb)
  - Spanish firm Bloom Consultancy has ranked the country's Brand Trinidad and Tobago 16th in trade and 29th in tourism in its 2013 Consulting Country Brand Ranking. (TE 18 Feb)
  - Just months after its acquisition of 100% of T&T's Intercommercial Bank Limited and Intercommercial Trust and Merchant Bank Limited, the JMMB Group says it has contributed to its net profit of J\$2.35 billion and earnings per share of J\$1.32 for the nine month period ended 31 December 2013. (TG 18 Feb)
  - Approximately 220 of the more than 1800 cooperative societies in Guyana will be dissolved, Labour Minister, Dr Nanda Gopaul disclosed. He said a verification process, which commenced in September 2013 has revealed that many co-ops are in violation of the Cooperative Society Act (GuyTim 18 Feb)
  - The French islands of Martinique and Guadeloupe have been granted associate membership within the Trinidad-based Association of Caribbean States. (BN 18 Feb)
  - Prime Minister of St Lucia Dr Kenny Anthony says his administration will now focus on reducing the island's debt burden, which is now estimated at 77% of GDP. In his first public response to the recent disclosure by the Department of Statistics that unemployment now stood at 25%, Anthony said the situation could "get a little worse before it gets better". (JG 18 Feb)
  - The economy of Nevis has been showing signs of recovery and premier of Nevis Vance Amory believes that the tourism industry has been playing a major part in the turnaround. (CNnow 18 Feb)
  - The Clinton Foundation has awarded a US\$250,000 grant to a Haitian recycling plant that seeks to clean up the country's dirty capital city. (TG 20 Feb)
  - Finance Minister Harold Lovell said that Antigua and Barbuda has been removed from the "Grey List" of the Paris based Financial Action Task Force (Carib360 21 Feb)
  - Public servants across the OECS have been given the assurance that there will be no cuts in their salaries while the governments battle the effects of a current global economic downturn. (Carib360 21 Feb)
  - The US-based National Association of Jamaican and Supportive Organizations is to forge an alliance with the government of Jamaica in order to find ways to assist the government to improve the country's economy. (CNnow 21 Feb)
  - Fear of devaluation of the Barbados dollar is misplaced and the Government has adopted the correct strategy to deal with the ailing economy. (BN 21 Feb)
  - Jamaica's Trade Winds Citrus has reaped its first crop of commercially grown ginger, with the juice manufacturer aiming to meet demand for Jamaican ginger on the international market while also using the crop as an input for beverage production. (JO 21 Feb)
  - Jamaica's mining and quarrying industry increased by 12% during the December quarter, driven by higher production and global demand for bauxite and alumina, according to economic data released by the Planning Institute of Jamaica (JG 21 Feb)
  - The Central Bank of T&T has pumped US\$500 million into the banking system to make it easier for businesses and individuals to access foreign currency. (TE 22 Feb)
  - By the end of 2013 Suriname's entire national debt amounted to a little over US\$ 1.8 million. In December the government borrowed US\$ 75 million from the IDB to finance several sectors (de Ware Tijd 22 Feb)
  - Jamaica can potentially earn US\$800 million (J\$85.6 billion) annually from exporting Sea Island Cotton, according to expert estimates. Initially 500 acres of the crop will be cultivated in a pilot project with \$11 million in grant assistance from the Japanese Government. (JO 23 Feb)
  - The Barbados Investment and Development Corporation's 2013 Export Readiness Programme has been deemed a success. (BN 24 Feb)
  - Society must prepare to help cover the social needs in Suriname. Those that have broader shoulders should contribute more to the government revenues. (de Ware Tijd 24 Feb)
  - Export of Surinamese vegetables, fruit, fish and shrimps got a 48% boost in 2013. 'It is an overall increase of export figures, including to the European Union and the Caribbean,' (de Ware Tijd 24 Feb)
  - State-owned National Gas Company signed a Memorandum of Understanding with Chinese clean energy solutions company, ENN, to fast-track implementation of the Government's compressed natural gas conversion programme. (TG 24 Feb)
  - United States authorities have released the "last substantial" package of regulations to combat offshore tax evasion in the Caribbean, saying the measures were also necessary to implement the Foreign Account Tax Compliance Act (TG 24 Feb)

## REGIONAL NEWS SUMMARY CONT'D

- Guyana must pass the Anti-Money Laundering and Countering the Financing of Terrorism (amendment) Bill 2013 by February 28, Speaker of the National Assembly Raphael Trotman said. (GuyTim 24 Feb)
- Infrastructure works and social projects on the unspoiled Haitian southern island of Ile-a-Vache are underway within the framework of a plan to turn the beautiful piece of land into a top international tourist destination as the Caribbean country's leadership banks on tourism to help fight poverty. (CNnow 25 Feb)
- Sagicor's lost investment grade rating has been reaffirmed because of the negative outlook Standard & Poor's has on the economic crisis in Barbados. (TG 25 Feb)
- China has great potential for opening new markets for Trinidad and Tobago's manufacturers and service providers and this country is determined to ensure that its economic horizon expands to the Far East. (TE 26 Feb)
- The heavy burden of debt in most Caribbean countries can have a negative effect on the region, Alberto Duran, Director of Trade of the Association of Caribbean States has warned. He said there are "clear signs of potential fiscal insolvency and an excessive debt situation." (TG 26 Feb)
- Trade Minister Vasant Bharath on Tuesday signed two agreements that will lead to two Chinese construction companies developing and building a port in La Brea and seven industrial parks throughout Trinidad. (TG 26 Feb)
- Liquefied natural gas from T&T is helping to fuel Singapore's burgeoning LNG business, a report by Jonathan Kwok of Singapore's Straits Times said. (TG 27 Feb)
- Representatives of Venezuela and T&T analysed options to create a maritime route between both nations, with a view to favouring connections for the tourist sector. (TG 27 Feb)
- Guyana has been able to attract US\$1.326 billion in foreign direct investment between the period 2006 and 2012. Over the same period, it has seen credit to the private sector increase from G\$30.6 billion in 2006 to G\$82.6 billion in 2012, almost a 300% expansion in the six-year period. (GCO 27 Feb)
- Fitch Ratings has upgraded Jamaica's long term foreign currency and local currency issuer default ratings to B- from CCC. The rating agency also raised the short-term foreign currency rating from C to B and the country ceiling from B- to B. The outlook was also upgraded to "stable". (CNnow 27 Feb)

## SOME DIGITAL PUBLICATIONS OF INTEREST

### TRANSNATIONAL CORPORATIONS AND LOCAL INNOVATION

This is a timely book on an important subject, namely, the effects of foreign direct investment (FDI) and the operations of transnational corporations (TNCs) on the innovation systems of host countries, in the case of this book, the BRICS countries. The five country case studies provide abundant material, which the introductory chapter starts to synthesise. The emergence of the BRICS countries has already changed deeply the economic and political configuration of the world and it will do so increasingly. However, in the area of science, technology and innovation (STI), a gap remains with the advanced industrialised countries. On account of the course taken by the historical development of the world economic and political system, notably since the 18th century, these countries possess highly-developed innovation systems. They also remain by far the main source of FDI and are home to the large majority of TNCs.

Available at:

<http://idl-bnc.idrc.ca/dspace/bitstream/10625/52180/1/IDL-52180.pdf>

### FINANCING INNOVATION

This series of books brings together results of an intensive research programme on aspects of the National Systems of Innovation in the five BRICS countries - Brazil, Russia, India, China, and South Africa. It provides a comprehensive and comparative examination of the challenges and opportunities faced by these dynamic and emerging economies. In discussing the impact of innovation with respect to economic, geopolitical, socio-cultural, institutional and technological systems, it reveals the possibilities

of new development paradigms for equitable and sustainable growth. The role of financing to support company strategies to introduce new products and processes in the economy has long been recognised as key.

Available at:

<http://idl-bnc.idrc.ca/dspace/bitstream/10625/52181/1/IDL-52181.pdf>

### THE PROMISE OF SMALL AND MEDIUM ENTERPRISES

This is the third volume in a series of five books which bring together the results of intensive research on the national systems of innovation in the BRICS countries - Brazil, Russia, India, China, and South Africa. This book looks at the relationship between small and medium enterprises and the national systems of innovation in the BRICS countries. It brings to fore crucial issues in the evolution and future trends of industrial or innovation policies for small firms: their scope, applicability, co-ordination, and main results, as well as the influence of macroeconomic, legal and regulatory environments. Taking into account the specificities and complexities of SMEs' production and innovation systems, it seeks to inform research, policy design and implementation in the field. Combining original and detailed data, this book is an invaluable resource for researchers and scholars in economics, development studies, and political science, as well as policymakers and development practitioners interested in the BRICS countries.

Available at:

<http://idl-bnc.idrc.ca/dspace/bitstream/10625/52039/1/IDL-52039.pdf>



## Attend The Third Caribbean Business Executives Seminar “Venture Capital: Its Relevance For The Regional Transformation Agenda”. 4 April 2014, Hyatt Regency, Port Of Spain, Trinidad.

CBES 2014 provides opportunities for business executives, financial institutions, entrepreneurs and public sector officials to better understand the role of venture capital in widening and deepening financial markets in the Caribbean and for leveraging traditional sources of financial capital. Participants will be exposed to best practices in various aspects of the venture capital ecosystem including strategies for syndicated financing, raising capital, defining the profile of investment companies, finding and structuring deals, investor/investee relationships and exits within the Caribbean financial and regulatory landscape.

CBES 2014 team of distinguished speakers from the private and public sectors and universities include the Minister of Finance, Government of Trinidad and Tobago, Senator Larry Howai, Mr

Jeffrey Hall, Group Managing Director, Jamaica Producers Group, Mr Richard Young, former Managing Director, Scotiabank Trinidad Ltd, Mr Jwala Rambarran, Governor, Central Bank of Trinidad and Tobago, Mr C. Wainright Iton, Managing Director, Trinidad and Tobago Securities Exchange Commission, Mr Alan Slusher, Adviser to Prime Minister and Minister of Finance, Belize, Professor Jay Mitra, Director, International Centre for Entrepreneurship Research, University of Essex, and Professor Compton Bourne, former President, Caribbean Development Bank.

Register by visiting <http://cbes.ccmf-uwi.org> or contact Mrs Kathleen Charles (email: [Kathleen.Charles@sta.uwi.edu](mailto:Kathleen.Charles@sta.uwi.edu))

### MEMORIAM: DR LAWRENCE CLAIRMONTE CLARKE



The Caribbean Centre for Money and Finance with profound regret and sadness learnt of the death of Dr Lawrence Clarke on 12 February 2014. At the time of his death, Dr Clarke was World Bank Country Director for Mozambique. Most of his professional life was spent in the service of the World Bank on the African continent where he made tremendous contributions to Angola, Botswana, Ethiopia, Liberia, Sao Tome, South Sudan and Zambia. At various points, he was Deputy Governor of the Central Bank of Botswana and Economic Advisor to the President of Liberia. The Caribbean Centre for Money and Finance was extremely fortunate to have Dr Clarke as its Executive Director from 1995-1998. His period of leadership at the Centre was a truly transformative one with a growth in research staff, many monographs and other scholarly publications, stronger links with the regional central banks and international financial institutions and the nurturing of a cadre of young professionals who now hold senior positions in the financial sector and public policy institutions. Those of us who knew him well will always remember his graciousness and kindness, his unflinching willingness to encourage and to help, his dedication and enormous capacity for hard work, his good humour and his zest for life. May his soul rest in peace.

#### STAFF OF THE CARIBBEAN CENTRE FOR MONEY AND FINANCE

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