



INNOVATION, ENTREPRENEURSHIP AND COMPETITIVENESS: KEY FACTORS FOR GROWTH IN THE CARIBBEAN

Caribbean Growth Forum discusses policies and partnerships for increased growth and opportunities for all

Kingston, Jamaica, June 19, 2012--The University of the West Indies hosted this week the launch of the Caribbean Growth Forum (CGF), a new regional platform for dialogue to foster higher levels of economic growth with opportunities for all in the region. More than 150 participants from the public and private sectors, academia, youth, and civil society joined the conference to discuss the key factors that have the greatest potential to contribute to increased growth in the region.

"The discussions we've had at the Forum have generated a lot of enthusiasm and fresh thinking on how we can move the growth agenda forward," said **Professor E. Nigel Harris, Vice Chancellor of the University of the West Indies.** *"We had frank conversations on actionable policies and shared examples of success stories illustrating how in the appropriate conditions change is possible."*

The CGF is a partnership between the World Bank, the Inter-American Development Bank (IDB) and the Caribbean Development Bank (CDB), in close collaboration with the United Kingdom's Department For International Development (DFID) and the Canadian International Development Agency (CIDA). The CGF will be guided strategically by a Steering Committee comprised of the Secretary General of CARICOM, the President of the CDB, and the Vice Chancellor of the University of the West Indies.

"The Caribbean is a space with a rich and proud history, tradition and culture. It has a huge potential," said **Françoise Clottes, World Bank Director for the Caribbean.** *"It is ready to move beyond traditional markets and trade preferences and reach out into new sources of growth, exploiting its natural advantages of location, environment, political stability and democratic traditions. We have heard today very encouraging examples of how it is already happening."*

The two-day conference focused on competitiveness, innovation and entrepreneurship, and explored a broad range of issues such as how energy services can be improved in the Caribbean, what is needed to build a skilled labor market, how Caribbean governments can develop robust innovation economies, and practical steps for micro, small and medium enterprises to get improved access to finance.

*“Successful implementation of far-reaching reforms requires the participation of the broadest coalition of social partners,” highlighted **Warren Smith, President of the Caribbean Development Bank.** “There has to be a broad-based understanding and acceptance in all sectors of Caribbean society that inaction is not an option. The Caribbean Growth Forum offers great promise for building an effective and purpose driven coalition.”*

Caribbean countries face many common challenges, such as frequent natural disasters, high poverty rates, a small size and lack of economies of scale, as well as vulnerability to external shocks. Economic growth has been structurally low in the region, and needs to become more inclusive. In addition, most countries experienced a significant economic contraction due to the 2008 global financial crisis.

In contrast to Latin America, which grew by an estimated 4.2% in 2011, Caribbean countries only grew by an average of 2.3%. Caribbean economies also face serious debt challenges. Public debt-to-GDP ratios have reached 100% in a number of countries in the past few years.

The CGF is a one-year initiative and will facilitate the sharing of knowledge and ideas on practical policies to stimulate sustainable and inclusive growth, and create jobs.

*“We want this initiative to be truly inclusive, therefore we are inviting everyone to join the dialogue on how to generate economic growth and opportunities for all,” said **Joel Branski, Country Representative, for Barbados at the IDB,** “The Compete Caribbean Program has pledged its commitment to develop solid projects to support the work already started today and we will explore every avenue to stimulate growth in the Caribbean and reach out to all those other voices that are not always heard, including young people and civil society.”*

The launch of the CGF will be followed by the Digital Jam 2.0 which will be held in Kingston on June 28-30. The focus on youth and jobs in the Information and Communication Technologies (ICT) sector is an integral part of the CGF agenda.

Contacts:

In Kingston:

Melanie Zipperer, +1 (202) 468 9841, mzipperer@worldbank.org

Gerrard McDaniel, +876 260 3329, gmcdaniel@worldbank.org

For more information on the Caribbean Growth Forum, please visit:

<http://www.worldbank.org/lac/caribbeangrowth>

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