



CDB's PRIVATE SECTOR STRATEGY

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Presentation Outline

- Future direction of private sector development
- Key elements of CDB's private sector strategy
- Proposed strategy framework
- Recommended actions to be addressed by both the private and public sectors to facilitate a more effective private sector



Future Direction of Private Sector Development

- Enabling environment for improved competitiveness
- Increased public & private sector efficiency
- Innovation and entrepreneurship
- Skills development (national and enterprise)
- Improved connectivity and logistics.



Key Elements of CDB's Private Sector Strategy

- Build enterprise and institutional capacity
- Increase investment flows to priority sectors
- Mobilise resources that facilitate financial sector development
- Provide financing to existing/new businesses & products
- Support partnerships



Draft Private Sector Strategy - Underlying Principles

- Inclusive growth, with focus on reducing inequities (income and gender disparities) and economic and social vulnerabilities
- Support in areas where CDB has demonstrated success and expertise
- Programme alignment with national poverty reduction and economic development strategies
- Focus on niche areas that provide value added

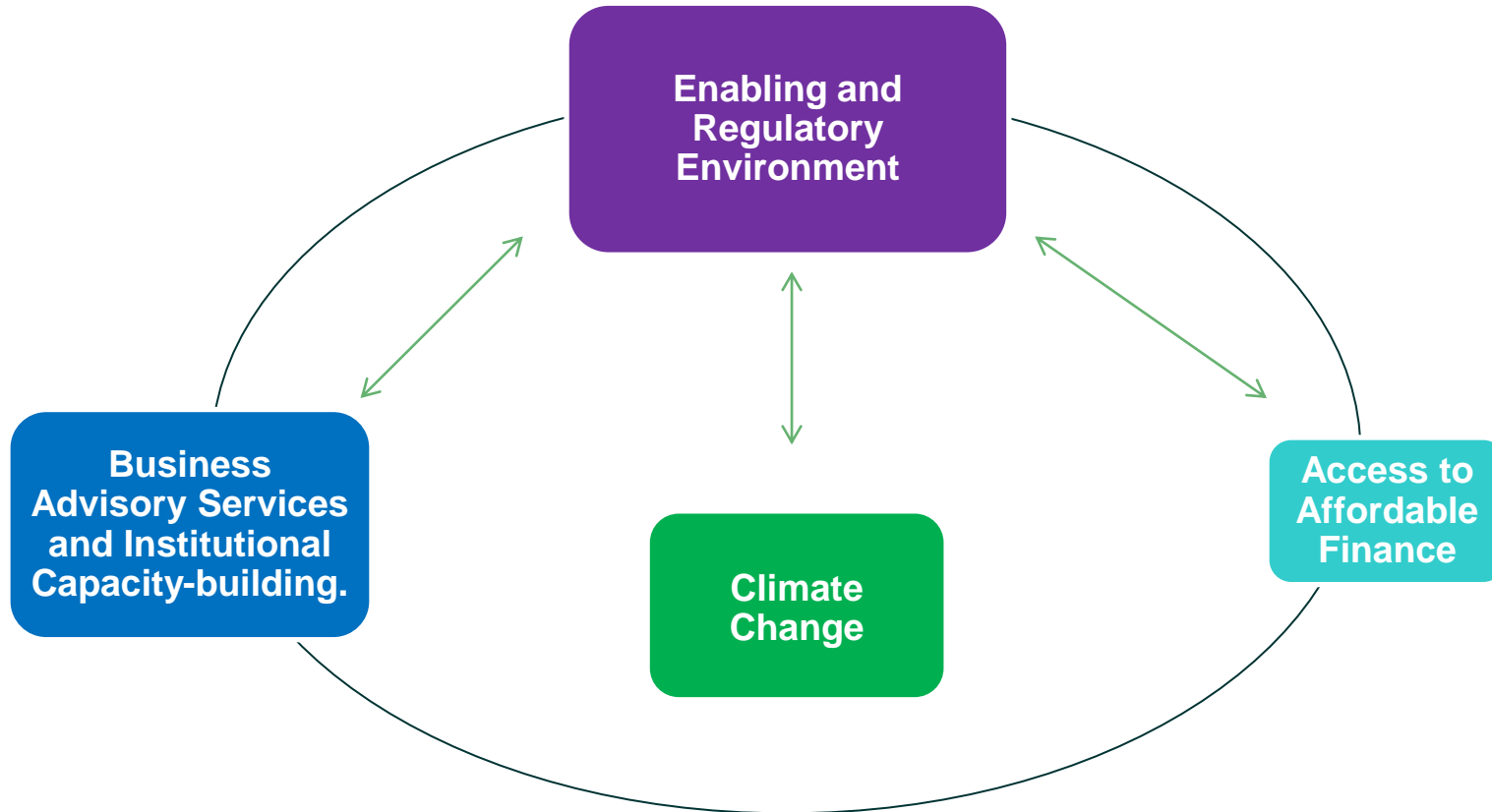


Draft Private Sector Strategy - Underlying Principles

- Managing risks
- Developing and implementing regional approaches to problem solving in the area of capacity-building
- Results-based approach for effective performance measurement



Proposed Private Sector Strategy Framework



Region's vulnerability to impacts of Climate Change requires focus on assisting the private sector with adaptation and resilience



Enabling and Regulatory Environment

- Policies to address country, institutional and enterprise reforms; legal frameworks; property rights; financial system regulation; and corporate governance
- Initiatives to reduce cost of business creation, expansion and exit
- Initiatives to promote trade and investment facilitation
- TA to improve management and operations of PPPs



Access to Affordable Finance

- Indirect lending to MSMEs through financial intermediaries with capacity to be sustainable and where appropriate, TA for capacity-building.
- Investments in energy efficient facilities and climate resilient agriculture.
- Strengthening of micro-finance institutions.
- Financial sector development, including capital markets.



Business Advisory Services and Institutional Capacity-building

- Strengthen FIs' management and operating capability
- Expand Caribbean Technological Consultancy Services Network for greater outreach to MSMEs.
- Facilitate/promote innovation & entrepreneurship.
- Support Climate Change, business continuity and natural hazard resilience initiatives



Recommendations



What the Private Sector Needs to Do

- Access new, including non-traditional markets
- Identify opportunities for new products/services
- Ensure products/services meet or exceed international standards
- Embrace new technologies with a focus on improving efficiency, productivity and competitiveness
- Build alliances to overcome small size



Governments' Priority Areas for Private Sector Development

- Rationalize public agencies responsible for private sector facilitation
- Review importation systems (duties, VAT, documentation)
- Enhance credit delivery (credit bureaus etc)
- Enhance insolvency, contract enforcement and property registration legislation
- Improve incentives for alternative energy



Desired Results

- More enabling environment for private sector development
- More competitive private sector
- Economic growth within the region
- Poverty alleviation
- Better quality of life for the Regions' citizens





THANK-YOU

Q & A