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
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.
• 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