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New Sectors and Supporting Instruments

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In partnership with



Preamble

- New sectors refers to:
 - Agro-processed industries (e.g.
 - pharmaceuticals,
 - nutraceuticals,
 - cosmetics
 - Niche manufacturing
 - Creative industries
 - Creative tourism

Challenges

- Fragmented and silo approach among actors
- Supply side constraints and consistency of supply for new ventures (raw material supplies)
- Human resources (lack of training in specialized areas), no/little understanding of the possibilities.
- Intellectual Property asset management failures and general failure to appropriately value Intellectual Property. Producers don't know how to monetize IP, production management
- Unsustainably high cost of doing business
- Limited business and trade facilitation
- Lack of appropriate standards
- Low trust among actors/stakeholders

Opportunities

- Changing patterns of international demand (demand for boutique, organic, specialty, niche products)
- Scale issue less of a problem
- Space for new, nimble, flexible financial instruments
- Digital networking to promote collaboration reduces the impact of distance
- Opportunities for common regional branding or collaborative marketing
- Rise of the Intellectual Property economy
- Demographic and lifestyle changes in OECD economies presenting new market opportunities (opportunity to redefine traditional sectors e.g. health tourism, nutraceuticals and pharmaceuticals)
- Rise of the diasporic economy

Weaknesses

- Cost, quality, speed, reliability of technology
- Disconnect between the capacity requirements in emerging sectors and the training in the educational system;
- Little value on technical/vocational training;
- No clear analysis of what the skills gaps are/talent drain
- Absence of benchmarks and quality control
- Weak instructional capacity to replicate successes
- Risk averse culture militates against investment in the new sectors (no freedom to fail)
- Lack of access to finance/credit
- Underinvestment in technical and vocational training
- Weak collective management/admin (music industry) scale issue
- Low levels of clusters, weak value chain integration

Strengths

- Geography, climate, weather (not easily replicable)
- Proximity to South (emerging) and North (mature), American Markets
- Linguistic diversity
- Caribbean aesthetic has strong appeal. (Way of life) not to be taken for granted
- Political stability
- Diverse and unique flora/inputs for new sectors
- Trainable and literate society
- Cadre of people who are self investing ; cultural resilience/popular culture
- High technology penetration rates
- Small size to encourage pilot projects (pilots are more feasible)

Critical Success Factors

- Scale up in economic and marketing intelligence for emerging sectors;
 - Agency Responsibility: CEDA, National BSOs, EPA Implementation Unit,
- Strengthening of the b2b linkages between the Caribbean Private Sector and partners in the markets of interest
 - Agency Responsibility: CEDA, CAIC, Coalition of Service Industries,
- Strengthening of the collaborative relationships between BSOs at the National and Regional levels;
 - Agency Responsibility: CAIC, Coalition of service industries, CEDA, CCP;
- Strengthen the capacity to leverage existing Intellectual Property Assets
 - Agency Responsibility: OAS, CC UWI plus new area

Critical Success Factors cont'd

- Use the experience of the tourism product to build brands/diversify around the tourism product/music/festivals (build a family of goods and products around it)
 - Agency Responsibility: CTO, CEDA, CAIC, CSI, CCP
- Tapping into the Diasporic market
 - Agency Responsibility: CTO, CEDA, CSI, CCP
- Production integration/services collaboration
 - Agency Responsibility: CARICOM, CTO, CEDA, CSI, OECS, CCfC

Next Steps

- Establish a mechanism for regional institutions to work closer and share their work plans.
- Bolster the institutional capacity of those key regional organizations that have a role to play going forward.