COMPETE CARIBBEAN

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2022 Year in Review



Prologue

Compete Caribbean was created by a partnership of donors – the Inter-American Development Bank, the United Kingdom's Foreign and Commonwealth Development Office, the Caribbean Development Bank and the Government of Canada, to address the reasons that have kept the Caribbean region from growing.

Essentially, a difficult business climate.

And very low levels of innovation, economies of scale and scope, and technology adoption by the private sector.

Compete Caribbean is currently financing 53 projects across 13 Caribbean countries, namely Antigua and Barbuda, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, The Bahamas and Trinidad and Tobago, for a total investment of nearly US$23.5 million. A year and a half away from the end of the second phase of Compete Caribbean, most of the outputs and many of the strategic outcomes had been met or surpassed. The facility has helped draft 49 legislative reforms, of which 30 have been submitted to government for approval and 19 approved. It has benefitted 1149, of which 41% are women-owned. These firms span 12 countries and stem from several sectors, primarily agriculture, agro-processing, tourism and technology. In addition, with the support from the facility, 432 Caribbean businesses have implemented an innovation (of which 126 are women-owned), meaning introduced: a substantially new or significantly improved product, good or service, a new or significantly improved process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations. The Facility has strengthened 64 institutions that support private sector development, including business support organizations, governmental departments and ministries, and intellectual property offices. Finally, Compete Caribbean projects have led to the creation of 2729 new jobs across seven countries and eight sectors.

In 2012, Compete Caribbean started financing projects in the Caribbean region. In this December 2022 edition, we delve into the projects that Compete Caribbean has been financing in Belize over the years to exemplify the kinds of support that the facility has been providing to both public and private sector counterparts, and the results and/or impact of that support on the ground. In addition, we showcase some projects in St. Lucia, Grenada and St. Vincent and the Grenadines that we visited this year.



Strengthening the Institutional Architecture for Investment Attraction in Belize

BL-CC2005 – US$325,000 (2013 – 2017)

Between 2013 and 2017, Compete Caribbean provided BELTRAIDE with technical support to develop a long-term plan to attract foreign investment in the business process outsourcing and medical tourism industries. This included investment promotion strategies, training of BELTRAIDE staff, drafting of legislation, and marketing for investment attraction. An independent evaluation concluded that around 3000 new jobs were generated by the new investment in the business process outsourcing sector made possible by this technical support.

Click here to find the independent evaluation for this project.



Preparing Belize Shrimp Growers' Association for ASC Shrimp Certification to improve its Competitiveness

BL-CC3005 – US$500,000 (2013 – 2015)

Following a Shark Tank type methodology, Compete Caribbean supported Belize shrimp growers to obtain Aquaculture Steward Council (ASC) certification, which signals to consumers that the shrimp has been environmentally and socially produced. At the time, this certification enabled the Belize shrimp industry to access premium markets in USA and Canada, increasing their annual sales by more than 100% and exports by US$25 million. Moreover, Belize became the only country in the world where 90% of shrimp production was ASC certified. During project execution, employment in shrimp farms increased by 170 workers, and employees saw their incomes rise by 46%.





Improving Sustainable Production in the Belize Shrimp Cluster

BL-T1113 – US$400,000 (2018 – 2022)

In 2016, after Belize Shrimp growers had obtained Aquaculture Stewardship Certification, an avian flu virus contaminated the shrimp ponds and decimated the industry. The Belize Shrimp growers turned again to Compete Caribbean to support the entire sector in improving the predictability of shrimp production by devising a system that would help them monitor biosecurity and climate change risks in real time, helping to reduce disease risks and climate change impacts. To that end, the project financed a protocol for surveillance and sharing of data (the Biosecurity Aquaculture Zone Management Plan, or BAZMP), as well as accompanying regulation, plus the capacity of shrimp farms to sustainably produce shrimp. Four years after the start of that project, implementation of the BAZMP along with strengthening technical knowledge of the shrimp farms has helped create 321 new jobs. The adoption of BAZMP and the continued efforts at regaining ASC certification will ensure sustainability of the shrimp sector and prevention of another disease episode as the one faced earlier by the cluster.



Fostering Public-Private Dialogue through the Establishment of the Economic Development Council in Belize

BL-CC2037 – US$392,300 (2013-2017)

In Belize, Compete Caribbean also supported the creation of Belize's Economic Development Council as a mechanism to foster public-private dialogue and support policy that would enhance Belize's competitiveness. More than 7 years after its creation, Belize's Economic Development Council continues to play an important role in fostering an enabling environment for small and medium enterprises in Belize.

In 2017, the EDC approached Compete Caribbean to support the reengineering and digitalization of Belize's Companies and Corporate Affairs Registry. The digitalized registry has been completed, and the times that the business registry takes to respond to queries has been reduced by half. In addition, as part of this project Compete Caribbean supported drafting of new legislation to enable e-government and e-business in Belize. This included legislation on data protection, electronic transfers, e-signatures, and cybercrime.

This package of legislation was approved by Parliament in 2021, making Belize the first Caribbean country to have a full legal framework in place to facilitate e-commerce.

(Reference project: "Leveraging Digital Technology for Improving the Business Climate in Belize" – BL-T1110 – US$214,066 (2018-2022)).





Innovation Platforms for Social and Economic Impact in Belize

BL-T1119 – US$300,000 (2019-2022)

As the premier private sector development organization in Belize, Compete Caribbean has continued to support BELTRAIDE over the years.

To promote social entrepreneurship in Belize, Compete Caribbean supported BELTRAIDE in running the Change-Dah-Story initiative. This initiative launched a call for social entrepreneurs to provide solutions that could help minimize the involvement of youth in crime in Belize. Five social entrepreneurs were rewarded with an entrepreneurs boot camp to further develop their projects and received seed capital to build a prototype.



"... with Compete Caribbean, this social innovative challenge, there's an opportunity for young people to be involved in this (animation sector)"

To strengthen support for innovative entrepreneurs and businesses in Belize, Compete Caribbean also supported BELTRAIDE to develop an Innovation Pact. The pact, which was signed by the Prime Minister of Belize in 2022, includes the following commitments: i) Increase investment in science, technology, and innovation activities understanding that these will be the engine for growth and development; ii) Develop an innovation culture that encourages innovative solutions and risk-taking; iii) Train human talent in new technologies, innovation, and market trends that contribute to simulating the economy in creating more jobs; iv) Support innovation champions that coordinate ecosystem actors to encourage the circulation of innovative ideas and support the private sector in developing competitive business models; v) Build internal innovation capabilities that contribute to a better economy; vi) Promote the dissemination, understanding, and commitment of the Innovation Pact.

In addition, to support partial implementation of the innovation pact, Compete Caribbean rolled out a program to build the capacity of Belizeans in advanced digital skills. 70% of program participants found employment immediately after the end of their training.

Finally, and in line with the innovation pact, Compete Caribbean also supported the development an innovation benchmarking platform. This platform has already been rolled out to 250 small and medium businesses in Belize, and is providing BELTRAIDE with benchmarking data to develop innovation policy.

Finally, the support provided by Compete Caribbean to the government of Belize to develop instruments and policies that support new entrepreneurs and businesses will be expanded under a recently approved, US$10 million loan from the Inter-American Development Bank to the government of Belize entitled: Digital Innovation to Boost Economic Development in Belize.





Belize Seaweed Mariculture Project

RG-T3519 – 2US$200,000 (2019-2023)

Belize has tremendous potential for seaweed production. In 2019, Compete Caribbean approved a project with BELTRAIDE, the Nature Conservancy, and fishing Cooperatives in Placencia to explore ways to increase seaweed production and value-added as a way to supplement farmer incomes. The project supported fisher training, a women's cooperative producing seaweed value-added products, and a seaweed investment forum that attracted very strong international interest. Soon, it became apparent that production could not be dramatically increased without a regulatory framework to guide it. That framework is going to be supported by The Nature Conservancy. Compete Caribbean will direct resources under this initiative to support BELTRAIDE in attracting foreign direct investment to the blue economy sector, and to strengthen the sustainability of the women's cooperative association, as well as to improve the packaging and marketing of value-added seaweed products.



Supporting technology adoption for financial inclusion and sustainable growth of the Belize smart sugar cane cluster

BL-T1135 – US$292,000 (2019-2023)

The Belize Sugar Industry Limited (BSI), in Corozal, a company that has a majority state-ownership, depends on 5000 small sugar cane farmers to operate. The sugar farmers and the sugar mill operate in a symbiotic relationship in which anything that affects the farmers also affects the sugar mill. In that context, BSI approached Compete Caribbean to support a project that would help farmers get better and more timely access to credit and to inputs by integrating them on a digital platform that would also include BSI as a buyer of farm's production, Belize's Economic Development Fund, and commercial banks. The platform, based on the blockchain, is being developed. It is expected that once it is operational, the platform will enable the farmers to procure inputs in a timelier manner, improve their capacity to manage cash flows, and increase their knowledge of climate resilient practices, to increase their productivity and thereby improve their livelihoods and that of their families.

In addition, with technical assistance from Compete Caribbean channeled through IDBInvest, Belize Sugar Industries produced a climate-resilience strategy that is being presented to the Global Environmental Fund for financing, in partnership with the Caribbean Community Climate Change Center (5Cs). If successful, GEF would provide an additional US$10 million in financing to test 5 varieties of sugar seeds that were recommended by the Compete Caribbean technical assistance to determine which ones offer the sector the best possibilities for climate resilience. BSI is working with 2200 farmers on both the platform and the climate resilience project.





Development of the Blue Economy of Belize

BL-T1145 – US$300,000

Due to the importance of the blue economy for Belize, the government recently created a Ministry of Blue Economy and Civil Aviation. This new Ministry approached Compete Caribbean for technical support to build its capacity and that of other ministries and departments which play key roles in the management and coordination of the blue economy. The Ministry is also interested in support to implement some strategic actions for the development of the Blue Economy in Belize. This support will be complementary to the IDB investment loan for US$7 million that will promote sustainable growth in the blue economy, currently in design.





Garifuna Community Based Tourism Cluster

US$300,000 (2020-2024)



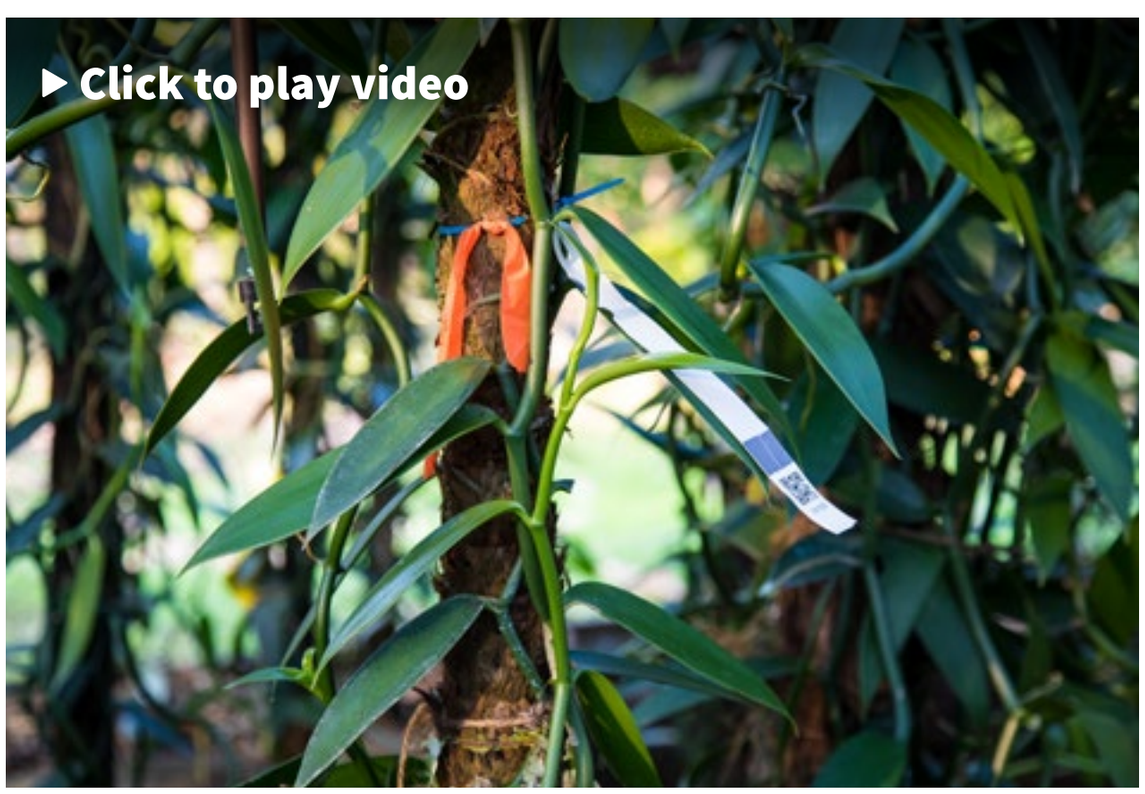
The Garifuna communities in Dangriga and Hopkins have unique cultural and heritage assets that could be turned into increased income for those communities. In that vein, these communities, along with the Ministry of Tourism and BELTRAIDE approached Compete Caribbean for support to identify, package and market Garifuna related experiences to international tourists, in a way that would help them increase their incomes while valuing their cultural assets. The project has just started implementation. There are currently 47 indigenously owned businesses directly involved in the project, and 345 businesses will benefit indirectly.



Design and Implementation of a Regional Ag-Tech Pilot Project for the Caribbean

Finally, through its Ag-Tech initiative, Compete Caribbean is supporting Corridgeree Belize to develop and pilot a flavor scorecard for cocoa which can assist international buyers in determining the relative qualities of cocoa beans. If successful, this tool would be equivalent to a Zagat type review in the cocoa sector.







St. Lucia Honey Project

RG-T3519-4 Bee City Cluster – US$205,168 (2019-2023)

In 2019, the Compete Caribbean Partnership Facility (CCPF) issued a call to provide support to cluster initiatives that can help Caribbean firms grow, generate employment and export to new markets. In consultation with private firms and supporting institutions, Export Saint Lucia prepared a comprehensive Cluster Development Plan (CDP) for the honey sector which outlined a common vision for, and agreed priorities to support the growth of the sector. The CDP is the basis for the implementation of the St. Lucia Bee City Cluster project.



The project's goal is to increase the competitiveness, quality and overall production of Saint Lucian honey and its by-products.It has funded activities in product development-creating a profile for Saint Lucia honey and training in the National Standard SLN 99. The project has focused on the domestic and international marketing of the St. Lucia honey brand through the development of a Marketing Research report and Marketing and Brand Development plan and training and implementation of marketing and promotion activities. Additionally, the project has financed some activities in capacity building and institutional building. The SLU Bee City Cluster is now in the process of finalizing a three- year strategic plan which will serve to guide the operations of the beekeeper groups within the cluster.

It has now become apparent that the production capacity of the local beekeepers and honey producers is a main constraint to the growth of the industry. Compete Caribbean will direct resources under this initiative to support activities in increasing the production capacity of domestic beekeepers, honey producers and technical officers within the Ministry of Agriculture as well as to increasing the production capacity of value-added honey products.



National Competitiveness and Productivity Council

PROTool

Measuring productivity, Building efficiency in business

In September 2022, the National Competitiveness and Productivity Commission in collaboration with the World Bank launched the Protool, a productivity assessment tool. The original excel spreadsheet developed by NCPU was digitalized and converted into an interactive tool under RG-T3243. The World Bank has recognized the potential of Protool and has committed to funding the training of businesses not only in St. Lucia but also in Dominica, Grenada and St. Vincent and the Grenadines under its Caribbean Digital Transformation Project. During a mission to St Lucia in November 2022, members of the Compete Team met with officials from the National Competitiveness and Productivity Unit to discuss in detail the range of data that the tool compiled, how the data could be used to benchmark firm performance in various sectors, marketing of Protool and potential for expanding the use of Protool beyond the Organisation of Eastern Caribbean States. In order to expand the use of Protool and to encourage its use as a key business performance diagnostic, the test environment will need to be reopened, pilot testing expanded, data privacy addressed and the use of the tool by organizational development and performance improvement consultants endorsed.

2022 Events

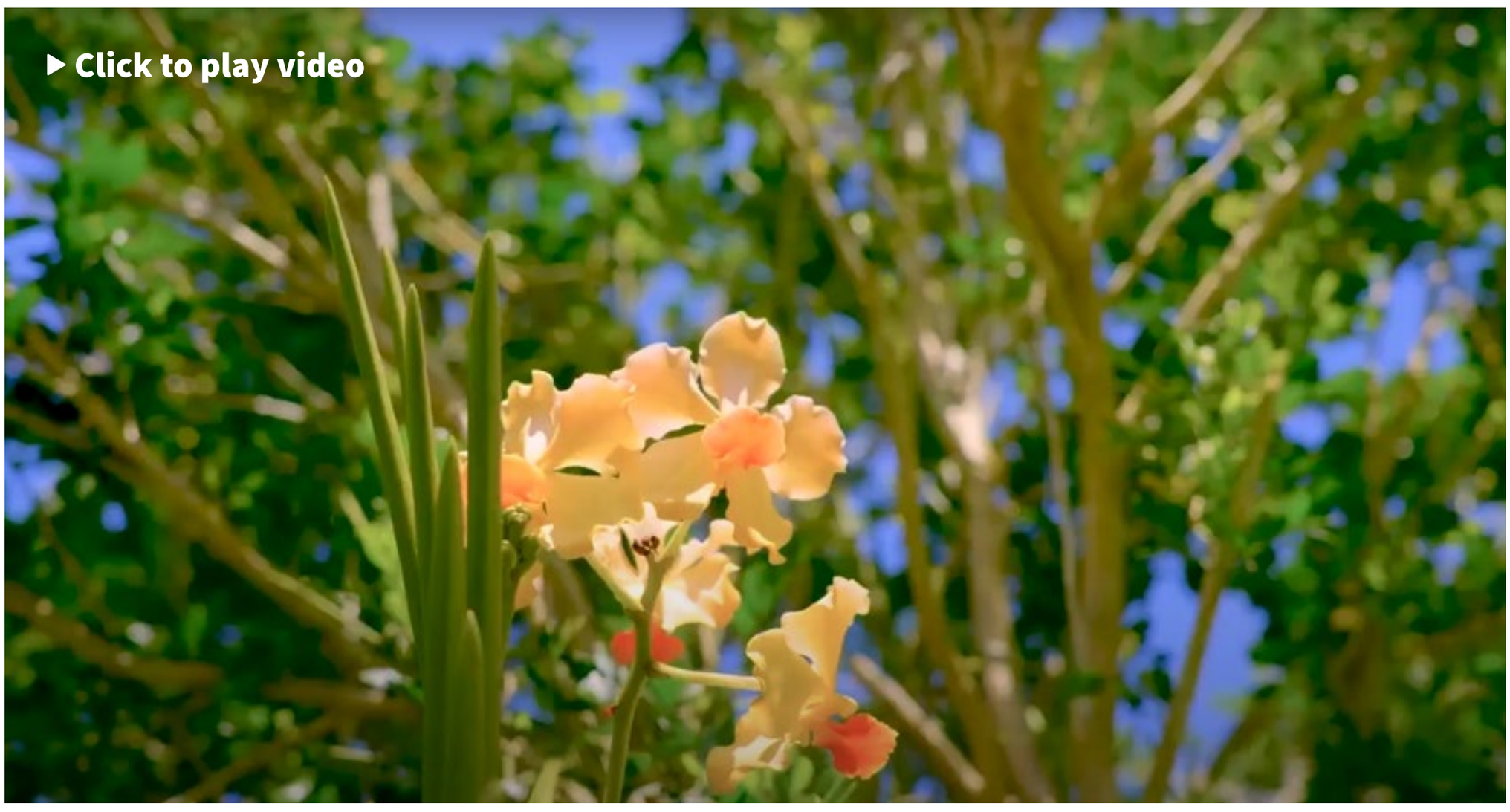


St. Vincent & the Grenadines Business Climate Reform Press Conference 2022

Grenada Floriculture Project



The floriculture cluster project received a visit from Ms. Jennifer Cooper, the Deputy Director of the Caribbean Regional Development Program and Ms. Michele Gibson, Senior Development Officer of the High Commission of Canada on Monday, December 5, 2022. Jerry Rappaport had been contacted by Ms. Olga Mardak, Policy and Communications Officer for the Caribbean Regional Development Program in Ottawa.



RG-T4017

Support to Economic Recovery in the Caribbean through Trade and Investment in Blue Economy



The Coronavirus (COVID-19) pandemic has exacerbated the vulnerabilities of Small Island Developing States (SIDS). The Blue Economy (BE) has been identified as a key are that could facilitate economic growth, job creation, and economic diversification. The promotion of foreign direct investment (FDI) to leverage BE economic opportunities has been identified a key strategy to support economic recovery in the Caribbean. Implementation of RG-T4017 which seeks to increase institutional capacity to attract private sector investment into the Blue Economy (BE) in the Caribbean (Belize, St. Lucia, Grenada, and St. Vincent and Grenadines) to generate employment, growth, diversification of the economy and to contribute towards the attainment of Sustainable Development Goals (SDGs) targets began during the final quarter of 2022. A consultant has been contracted to develop a toolkit to promote gender parity in FDI in the BE and procurement of consulting firms to develop industry or sub-sector specific investment Promotion Strategies& Action Plans including digital tools to create content and generate more qualified leads is under way. Face to face or virtual meetings and review of previous studies have identified the following priority industries in the countries as follows – St. Vincent and the Grenadines: aquaculture and mariculture, fisheries waste management; Grenada: Eco-tourism, Community-based tourism, Fisheries centers incl. processing facilities; and Saint Lucia: Fisheries enhancement, Eco-tourism, mariculture (sea moss farming). Additionally, stakeholders listings have been prepared for Saint Lucia and St. Vincent and the Grenadines and beneficiary countries have begun to compile relevant studies and reports.

