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| THE CARICOM REFORM PROCESS – A WAY FORWARD | Pg 1 |
| REGIONAL NEWS SUMMARY | Pg 2 |
| SOME DIGITAL PUBLICATIONS OF INTEREST | Pg 6 |

THE CARICOM REFORM PROCESS – A WAY FORWARD

The year 2013 marked the 40th anniversary for CARICOM, which was commemorated with a year of celebrations. However, this celebration was held amidst concern and questions on the relevance of CARICOM. There are some critics who argue that “CARICOM is dead”, while others are of the opinion that it is not dead but instead mismanaged. One main point of critics is that there is not sufficient political will to make CARICOM function in its true capacity. It was said that *“Our political leaders have simply failed to make the case for integration in a common sense hard-headed way that our people might have embraced. And even when they point the way, they themselves betray their own vision.”*¹ Forty years later, CARICOM is still yet to realize its full potential.

There is value to CARICOM, but it has been recognized that to achieve its full potential there is need for an overhaul of the entire institution known as CARICOM. In July 2010 a Review of CARICOM was done and its findings entitled, *“Turning Around CARICOM: Proposal to Restructure the Secretariat”* were presented at the 23rd Inter-Sessional Meeting of CARICOM Heads of Government (March 2012, Suriname). At this meeting approval was given to begin the reform process, resulting in the establishment of a Change Facilitation Team, which formally took up its assignment on 1st November 2012. This team was charged with the responsibility of assisting CARICOM with its Change Facilitation Services. This reform process had two expected outcomes: (1) A five-year strategic plan for the community and (2) A transformed Secretariat with strategic focus, implementation capacity and strengthened corporate functions guided by the approved Community Strategic Plan.

The reform process is seeking to bring about change within the Community. The change is essentially moving from the current state where efficacy of regional integration in the Community is frequently questioned and its impact and value not readily apparent, to a place where targeted results for the benefit of the people of the region can be planned, monitored, measured and so seen and appreciated by the population. It is designed to facilitate the structured, effective implementation of the transformation of the Community and its Secretariat, in alignment with an agreed Community strategic thrust for the benefit of the people. It is important that there is a clear definition of the roles and re-

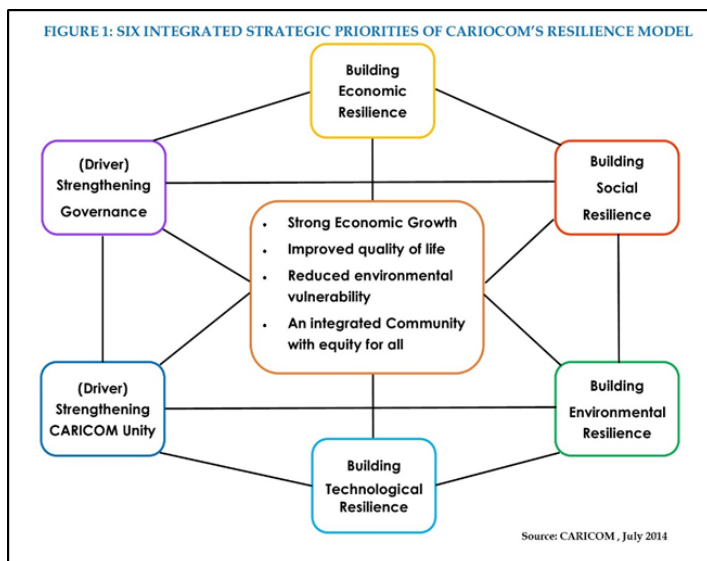
sponsibilities of the major actors in the CARICOM arrangement for the reform process to work. Some key findings of research to inform the way forward for the Community with respect of governance and institutional arrangements shows there is a need for:

- A strengthened governance ‘infrastructure’ which facilitates compliance with, and accelerated and effective implementation of, CARICOM mandates;
- Developing and maintaining mechanisms for sustained engagement of stakeholder groups;
- An effective mechanism for sustainable funding of the work of CARICOM;
- Strong, consistent, relevant communication that informs and engages the people of the region;
- Strengthening the information and communications infrastructure to facilitate good governance, cooperation among stakeholders and effective management of the programme of work for CARICOM;
- An appropriately structured Secretariat and other implementing agencies, ensuring adequate resources are in place to optimally fulfil their roles;
- Clarity of roles and responsibilities, as well as improved dialogue and collaboration among the implementing agents across CARICOM;
- Addressing the staffing challenges and gaps in expertise in the CARICOM Secretariat, institutions and member states;
- A robust monitoring and evaluation system that facilitates good accountability and managing performance across multiple implementing agencies.

In keeping with the second expected outcome of the reform process, in July 2014 at the 35th Meeting of the Heads of Government of CARICOM (Antigua), the first strategic plan for the region entitled *“Strategic Plan for the Caribbean Community, 2015 – 2019: Repositioning CARICOM”* was approved. This plan is a major milestone for the Caribbean region, it is the first detailed plan of a way forward for CARICOM. All CARICOM leaders agree that now is the time to re-examine the future direction of the Community and the arrangements for carrying it forward. The plan identified six integrated strategic priorities for 2015-2019 (Figure 1).

¹ “CARICOM is DEAD” by Peter Laurie ; Sunday 18th May 2013 , The Gleaner , Jamaica

THE CARICOM REFORM PROCESS – A WAY FORWARD CONT'D



In keeping with the strategic plan the top priorities of the Secretary General of CARICOM for the next five year period are:

- ◆ Accelerate implementation and use of the CARICOM Single Market and Economy (CSME);
- ◆ Introduce measures for macro-economic stabilization;
- ◆ Build competitiveness and unleash key economic drivers to transition to growth and to generate employment;
- ◆ Human capital development;
- ◆ Advance health and wellness;
- ◆ Enhance citizens security and justice;
- ◆ Climate adaptation and mitigation, and disaster mitigation and management;
- ◆ Develop the single, secure ICT space;
- ◆ Deepen foreign policy coordination;
- ◆ Public education, public information advocacy;
- ◆ Reform of the CARICOM Secretariat, the organs, bodies, institutions and governance arrangements.

It is hoped that these priorities will be adopted across the Community and that proper arrangements will be made to facilitate them, given the resource limitations (human and financial) of Caribbean economies.

These priorities however are set against the backdrop of the resource limitations with both human and financial resources; it is hoped that arrangements will be made across the region to facilitate these priority areas of focus.

There has been a renewed sense of hope in the Community, the optimism reported by the majority of news agencies since the announcement of CARICOM's first strategic plan for the Community has been very encouraging. The revitalized commitment by governments of the region shows that the political will for CARICOM is not dead. However, the thrust to reform CARICOM is occurring at a time in the world when there are low levels of economic growth and the prospects for growth are muted and unpredictable. It seems then that the viability and the success of the strategic plan is hinged on the CARICOM member countries' ability to maintain macro-economic stability, increase investments that will boost their levels of productivity and to establish policies that will ensure future growth of their economies that will withstand external negative factors.

Note: The full report - Strategic Plan for the Caribbean Community, 2015 - 2019: Repositioning CARICOM can be downloaded at:

<http://caricom.org/jsp/secretariat/caribbean-community-strategic-plan.jsp>

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REGIONAL NEWS SUMMARY

CL FINANCIAL

- The recent judgment at the Court of Appeal provided information about the data upon which the decision was made to implement the "Dookeran Plan" to deal with CLICO EFPA policy holders. (Carib360 2 Jul)
- The Central Bank has placed the responsibility of voluntary separation package VSEP negotiations for workers at CLICO with the company's board, after which it will review accordingly (TE 5 Jul)
- Finance and the Economy Minister Larry Howai said workers at Clico are to be severed as the Government determines the future of the company. (TG 23 Jul)

CARIBBEAN

- As the Barbados government struggles to cut costs through a financial structural adjustment programme, it has revealed that another 100-plus workers may be added to a list of public workers being sent home. (JO 1 Jul)
- Online data from the Central Bank show that T&T's net foreign reserves reached US\$10.36 billion in April—the highest level ever—which equates to just over 12 months of import cover. (TG 1 Jul)
- The government could allow The Bahamas to gain a "huge advantage" over its competitors and create an "economic game changer" if it amends the Nationality Act and allows

REGIONAL NEWS SUMMARY CONT'D

- investors to trade investments of at least \$10 million for citizenship rights, a private banker has argued. (CNnow 1 Jul)
- The governments of the British Virgin Islands and Grenada have both taken additional steps towards cooperating with the United States in relation to that country's Foreign Account Tax Compliance Act. (CNnow 1 Jul)
 - Jamaica's minister of finance and planning, Dr Peter Phillips says the economy has seen a number of recent gains such as the finalization of US\$3 billion in investments; increased employment; below target inflation; and a narrowing of current account balance of payments. (CNnow 1 Jul)
 - Managing director of the IMF, Christine Lagarde, says she is confident in Jamaica's ability to sustain and enhance economic stability, through government's implementation of the Economic Reform Programme. (CNnow 1 Jul)
 - US Ambassador Dr Brent Hardt said that Guyana still has a window of opportunity to pass the Anti-Money Laundering and Countering the Financing of Terrorism (Amendment) Bill. (GCO 1 Jul)
 - Activity at Barbados' lone commercial sea port has increased despite Barbados' economic challenges. The Bridgetown Port was ranked 64th out of 80 countries in Latin America and the Caribbean by ECLAC. (BN 2 Jul)
 - The Jamaica government raised US\$800 million (\$89.6 billion) in debt from the international capital market; this is the largest-ever debt raised from international capital markets and it carries 7.65% interest rate. Proceeds from the issue are to be used to pay off a (euro)150 million bond, which carries an interest rate of 10.5% and which becomes due at the end of October. (JO 2 Jul)
 - Barbados' Trade, Industry and Commerce Minister, Donville Inniss, has compared the current trade issue with the United States over rum to the banana struggle of the 90s, and criticised regional leaders for lack of support in the effort. (Carib360 2 Jul)
 - Funds from the eventual sale of CL Financial assets will be used to bring down the overall level of T&T's debt, reducing it from 43% to roughly around 35% of GDP, says Finance Minister Larry Howai. (TG 2 Jul)
 - Green buildings are important to the new development of the environmental and business sector, says Ramona Ramdial, Minister of State in the Ministry of the Environment and Water Resources. (Newsd 3 Jul)
 - The Central Bank of T&T made its most recent intervention into the domestic foreign exchange market, pumping US\$100 million into the system. (TE 3 Jul)
 - The IMF said that St. Kitts and Nevis had repaid, ahead of schedule, US\$17.1 million in obligations to the Washington-based financial institution. (Carib360 3 Jul)
 - Millions of dollars spent on imports could be saved if greater value was placed on "import replacement", says Bobbi McKay, Executive Director of the Barbados Manufacturers' Association (BAdv 3 Jul)
 - Caribbean Development Bank president Dr Warren Smith says the Caribbean needs US\$30 billion of infrastructure investment if it is to compete on a global scale, reduce poverty and drive sustainable growth. (BN 3 Jul)
 - A.M. Best said it had affirmed the Insurance Corporation of Barbados Limited's financial strength rating of A- (Excellent) and the issuer credit rating of "A-", adding that the outlook for both ratings was stable. (BN 3 Jul)
 - The Bank of Jamaica insists there is no danger of a systemic liquidity problem within local financial markets, saying deposit-taking institutions have adequate cash reserves and sufficient mechanisms to trade in government securities. (JG 4 Jul)
 - Significant investments are being made by the sector's largest producers of poultry in the Caribbean. Jamaican pig and chicken rearing are being backed by heavy investment dollars as the agricultural subsectors continue to see significant loan growth. (JO 4 Jul)
 - Spain Wednesday reiterated its commitment to help in the socio-economic development of the Caribbean insisting that it is not a "short-term partner". (Carib360 4 Jul)
 - Dominica is exploring the possibility of acquiring a ship to transport its produce to other Caribbean countries, Prime Minister Roosevelt Skerit has said. (Carib360 4 Jul)
 - The Grenada government says the World Bank has approved a US\$15 million disbursement for the island. It follows last week's approval by the IMF of a US\$21.9 million structural adjustment programme. (Carib360 4 Jul)
 - The World Bank says it has committed US\$10.2 billion this year to support Latin America and the Caribbean efforts to boost economic growth and maintain historic social gains. (Carib360 4 Jul)
 - Legislation authorising a \$400 million bailout for persons who were hit by the 2008 collapse of the Hindu Credit Union was unanimously passed in the Senate (Newsd 4 Jul)
 - Repsol has discovered an oil reserve estimated at 40 million barrels of oil equivalent in the waters off Trinidad's south-east coast, the Spanish energy giant said. (TE 4 Jul)
 - The foreign exchange allocation system was changed to ensure a more equitable distribution and to expand the number of authorised foreign exchange dealers, Finance Minister Larry Howai told the Senate. (TE 5 Jul)
 - Direct investments by Dutch firms and the Dutch government in Suriname between 2011 and 2013 amount to 113 million Euros. That is more than double the investments in the 2005 - 2010 period (die Ware Tijd 7 Jul)
 - CARICOM heads of government have approved the first ever strategic plan for the Caribbean Community. This announcement was made by chair of the conference Gaston Browne, prime minister of Antigua and Barbuda, during a

REGIONAL NEWS SUMMARY CONT'D

closing press conference at the end of the 35th meeting of the conference. (CNnow 7 Jul)

- Local manufacturer of windows, doors and architectural products, Oran Ltd., is celebrating its 50th anniversary and Operations Manager, Justin Oran, believes that the business has stood the test of time through embracing change, quality products and team work. (BAAdv 8 Jul)
- After languishing on a backburner since its passage, the Bankruptcy and Insolvency Act, 2006 is finally being brought to fruition by Government. (8 Jul Newsd)
- Plans by the government to either merge or sell its banks are still in the pipeline. However, the processes are too complex and cannot be rushed. 'The government announced plans last year to privatize the Landbouwbank as well as its intention to merge three other government banks, including NOB, Volkscredietbank and Surinaamse Postspaarbank (die Ware Tijd 9 Jul)
- The Surinamese financial system has not suffered the effects of the global economic crisis because the country is poorly linked to foreign financial systems. However, that situation has changed drastically with the introduction of more interaction with foreign institutions, and this has created more threats to the country (die Ware Tijd 9 Jul)
- The Government has warned Russian aluminium company UC Rusal that it intends to revoke special mining rights for its ALPART and Kirkvine plants, unless "bona fide" mining operations resume by the end of the year. (JO 9 Jul)
- Eight technology projects valued at \$3.7 billion are currently slated for Jamaica. The investment is expected to generate 8,000 jobs, according to the Government's global bond prospectus posted this month. (JO 9 Jul)
- The World Bank says Jamaicans will benefit from improved service delivery and an enhanced business climate as a result of a US\$37 million project for public sector transformation. (JO 10 Jul)
- The US dollar on Wednesday, July 9, ended trading at J\$112.74 up 12 cents, according to the Bank of Jamaica's daily foreign exchange trading summary. (JO 10 Jul)
- The Financial Action Task Force confirmed its decision to commence a targeted review of Guyana, in a letter dated July 9, 2014, prior to its October 2014 plenary meeting. The purpose of this targeted review will be to examine the most significant deficiencies in Guyana's Anti-Money Laundering and the Countering of the Financing of Terrorism framework that pose a risk to the international financial system. (GCO 10 Jul)
- The sod was turned on Wednesday for the construction of a US\$54 million five-star hotel at Liliendaal, Georgetown. The Sun and Sand Hotel will add to the country's tourism capacity, providing more accommodation to house the increasing influx of tourists. (GuyTim 10 Jul)
- The IMF warned that T&T remains vulnerable to a decline in energy prices, and called for structural reforms to diversify the economy and improve its growth potential. (TG 10 Jul)
- Trade, Industry, Investments and Communication Minister Vasant Bharath says the three red flags raised by the IMF in its latest report on T&T were already being addressed by the Government. (TG 10 Jul)
- A Caribbean Community Debt Advocacy Team is to be appointed to campaign for debt relief and/or debt amelioration on behalf of highly-indebted member states. (TG 11 Jul)
- Bank of Jamaica Governor Bryan Wynter said Thursday that the central bank's intervention in the market during the day was a calculated move to prevent disorderly conditions in the market. Wynter said the rapid rate of depreciation within the last few weeks was not justified by any fundamentals in the market. (JG 11 Jul)
- The plan by US-based Alcoa to divest its Jamaica operations forms part of its global transformation that will also see it slash production in Brazil and Australia, management indicated. It aims to contain costs which at times exceed revenues at the global company. (JO 11 Jul)
- Now in its 25th year, McBride Caribbean Ltd is exporting 85% of its products and looking to expand beyond the 24 neighbouring countries which carry its brands. (BN 11 Jul)
- Dr. Delisle Worrell, Governor of the Central Bank of Barbados, said that the adjustment measures taken by Government between August 2013 and March this year appear to have begun to restore the balance of inflows and outflows of foreign exchange (BAAdv 16 Jul)
- Leaders of the BRICS (Brazil, Russia, India, China and South Africa) nations launched a US\$100 billion Development Bank and a currency reserve pool in their first concrete step toward reshaping the Western-dominated international financial system. (GuyTim 16 Jul)
- Investment promotion agency, Jampro, is assessing a new offer from a foreign investor interested in the extraction of rare-earth metals from Jamaica's bauxite waste. The interest is growing amid reports that the studies under way by Nippon Light Metals of Japan in partnership with the Jamaica Bauxite Institute, are showing promising results. (JG 16 Jul)
- The Caribbean Export Development Agency has announced the award of BB\$8,081,874.06 to firms and business support organisations across the region via its flagship programme, the direct assistance grant scheme as part of the regional private sector development programme funded by the European Union under the tenth European Development Fund (CNnow 16 Jul)
- The executive board of the IMF completed the ninth and final review of St Kitts and Nevis' economic performance under a program supported by a 36-month stand-by arrangement. The completion of this review enables the au-

REGIONAL NEWS SUMMARY CONT'D

- thorities to draw an additional amount equivalent to SDR 2.931 million (about US\$4.5 million) (CNnow 16 Jul)
- Jamaican consumer plans to purchase homes or cars fell to near record lows in the second quarter of 2014. They are hesitant due to expectations that the Jamaica dollar will hit \$120 to US\$1, said Don Anderson. (JO 16 Jul)
 - Energy-sector-related investment has recovered from a downturn in the period preceding 2011 to reach the highest levels ever recorded in the last three years, Energy Minister Kevin Ramnarine stated. (TE 17 Jul)
 - Manufacturers are complaining again that they are not getting US dollars at commercial banks. The TTMA called on the Central Bank, the Ministry of Finance and the banking and financial institution sector to work together to fix the problem. (TE 17 Jul)
 - The Central Bank sold US\$75 million to the banking system as part of what it calls its foreign exchange intervention programme. (TE 18 Jul)
 - Bad infrastructural development in all Caribbean states is costing this region millions of dollars in damages every year, according to CDEMA Executive Director, Ronald Jackson, who noted that a lack of building codes and proper land use planning were resulting in heavy losses during disasters, like hurricanes and earthquakes (BAdv 18 Jul)
 - Sir Anthony Colman, in his report on the collapse of the Hindu Credit Union, calls for more powers to be given to the Central Bank to enable it to regulate credit unions and take law enforcement action independent of the Police Service. (Newsd 20 Jul)
 - Foreign direct investment in T&T's energy sector rose from US\$501 million in 2010 to US\$1.4 billion in 2013, said Energy Minister Kevin Ramnarine. In 2011, the FDI figure was US\$1.7 billion and US\$2.2 billion in 2012. (TG 21 Jul)
 - There has been a focus in Barbados pertaining to the development of Cultural Industries. It is still in its infancy, but while there have been strides in legislation, many in the industry still believe that in order to truly see this industry generate revenues in terms of foreign exchange and employment, more needs to be done. (BAdv 21 Jul)
 - The Barbadian workforce is being reminded of the importance of retooling and retraining to keep their skills relevant, especially in the current economic environment. (BAdv 22 Jul)
 - Guyana's agriculture Minister Ramsammy said that notwithstanding the emergence of growing ICT and mining sectors and the possibility of finding oil, agriculture is likely to remain one of the main pillars of the economy. (GCO 22 Jul)
 - Against the background of 198,000 visitors travelling from US gateways to Brazil for the just-concluded football World Cup, FIFA Vice-President Jeffrey Webb touted the economic benefits of the sport. (JO 22 Jul)
 - The capability of the Development Finance Corporation in Belize to provide financing for priority sectors in that country has been given a boost by a loan of US\$10.5 million from the Caribbean Development Bank (CNnow 22 Jul)
 - Brazil, Russia, India, China and South Africa established the New Development Bank and alongside it a Contingent Reserve Arrangement. The two institutions will serve the needs of the five countries for financing infrastructure and industrialisation, and to provide support in the event of a balance of payments crisis. (TE 22 Jul)
 - Regional conglomerate GraceKennedy, through its wholly-owned subsidiary GraceKennedy Foods (USA) LLC, has entered into an agreement to purchase the operating assets and business of La Fe Foods Inc, including its brand. (TG 22 Jul)
 - The Board of Directors of the Caribbean Development Bank has approved a US\$10 million policy-based loan to support the reform priorities of the government of Grenada (CNnow 23 Jul)
 - Dwindling oil imports and reduced payouts to foreign-owned companies narrowed Jamaica's current account deficit to its second lowest since the Great Recession, official data indicate. The island recorded a current account deficit of US\$100 million between January and March 2014 as it benefited from over US\$300 million in reduced chemical and fuel imports. (JO 23 Jul)
 - The "total assets" of the Barbados Public Workers Cooperative Credit Union Limited is now close to one million dollars - the bulk of it an \$825 million portfolio of loans and advances, and \$122.6 million in cash resources. (BN 23 Jul)
 - The World Bank expects its 'Youth in Digital and Animation' project valued at US\$20 million (J\$2.2 b) to benefit 15,000 Jamaican youth directly and indirectly. The project, launched this month, aims to train between 2,250 and 2,800 animators over five years. (JO 23 Jul)
 - The recent fluctuating inflow of foreign direct investment is something Barbados and other Caribbean countries should keep an eye on. Caribbean Centre for Money and Finance executive director Professor Compton Bourne said this was because "FDI inflows are quite substantial relative to the economic size of CARICOM countries". (BN 24 Jul)
 - With Barbados' foreign reserves standing below the 2013 level, International credit rating agency, Moody's has warned that strain could be put on the dollar. (Carib360 24 Jul)
 - Businessman Arthur Lok Jack believes entrepreneurs who are looking at China to develop their business should look at inward investments, or joint ventures locally, rather than trying to exploit that market. (Newsd 24 Jul)
 - Telecommunications Services of Trinidad and Tobago is finalising a \$1.5 billion loan to transform itself into a more

REGIONAL NEWS SUMMARY CONT'D

- streamlined, more technologically advanced mobile and internet services provider. (TE 25 Jul)
- Barbados has improved its compliance with international regulations against money laundering and terrorism financing. (BN 25 Jul)
 - Fitch Ratings downgraded Aruba's long-term foreign and local currency issuer default ratings to 'BBB-' from 'BBB'. Fitch also downgraded the issue ratings on Aruba's senior unsecured foreign and local currency bonds to 'BBB-' from 'BBB', but the island's minister of finance and government organization, Juan David Yrausquin, said the Fitch report does not depict a true economic picture of Aruba. (CNnow 24 Jul)
 - Guyana's Human Development Index for the year 2013 has recorded an unprecedented increase of 23.6% between 1980 and 2013, according to the 2014 Human Development Report presented by the UNDP. (GCO 25 Jul)
 - The World Bank has rolled out a new public investment and training programme in Jamaica, aimed at reducing fragmentation in budgeting and improving spending. The bank approved a US\$37-million (J\$4.14-billion) project for the purpose. (JG 25 Jul)
 - Core inflation has remained stable in the first half of 2014, the Central Bank said. "On a year-on-year basis, core inflation stood at 2.5% by the end of June 2014. Headline inflation slowed to 3.0% while food inflation eased for the third consecutive month to 3.5% in June 2014," (TE 26 Jul)
 - Jamaica is the first Caribbean country to develop a venture capital industry, says Therese Turner Jones, IDB Country Representative in Jamaica. (JG 27 Jul)
 - Jamaican hotelier, Gordon 'Butch' Stewart's, Sandals Group will within a few days purchase a Barbados flagship tourism property, Almond Beach Village, for US\$53 million. (Carib360 27 Jul)
 - Planning and Sustainable Development Minister Dr Bhoendradatt Tewarie on Friday urged the private sector to take advantage of investment opportunities, failing which foreigners will step in. (TG 28 Jul)
 - Dominica's Prime Minister Roosevelt Skerrit says the Organisation of Eastern Caribbean States must mobilise large sums of money if it is to address the challenges confronting its nine member countries. (JG 29 Jul)
 - Haiti is to benefit from a US\$30 million investment by National Petroleum Marketing Company. This follows the signing of a memorandum of understanding between T&T and Haiti for co-operation in energy, energy security and energy exploration. (TG 29 Jul)
 - New York-based Commonwealth Partners has inked a deal to buy a majority stake in Jamaican merchant bank, MF&G Trust Finance Limited. (JG 30 Jul)
 - Japan's Nippon Light Metals, and its Jamaica government partner, who developed a revolutionary process to extract rare earth elements from the effluent left when bauxite is refined to alumina, are unlikely, at this time, to pump cash into bringing the product to market, given the slump in the price of the commodity. (JG 30 Jul)
 - Monetary conditions in the Eastern Caribbean Currency Union improved during the year ending March 31, 2014. However, credit conditions tightened further as was evidenced by the widening of the interest rate spread during the same period. (CNnow 30 Jul)

SOME DIGITAL PUBLICATIONS OF INTEREST

FOREIGN DIRECT INVESTMENT IN THE CARIBBEAN: TRENDS, DETERMINANTS AND POLICIES

The Caribbean receives some of the highest levels of Foreign Direct Investment (FDI) in the world. In the recent past, FDI flows have been particularly volatile, with the financial crisis in 2008 greatly reducing FDI flows to the Caribbean, although they have recovered somewhat recently. One of the distinctive features of Caribbean FDI flows is that they appear to be relatively unprofitable, with FDI income significantly lower than in Latin America. This is possibly due to the sectoral pattern of FDI, which in most Caribbean economies is heavily slanted towards services, particularly tourism. In a small number of economies, natural resources play an important role, which requires relatively large capital outlays and is thus responsible for a large share of investment.

While the United States used to be the most important investor in the region, nowadays other players, such as Canada and China, are also taking a keen interest. Finally, the report studies the

use of FDI promotion policies. These are more extensive and prevalent in the Caribbean than elsewhere, but the evidence of their effectiveness to improve either FDI flows or the impact of such FDI flows on the local economy, is limited.

Available at:

http://www.cepal.org/cgi-bin/getProd.asp?xml=/publicaciones/xml/6/52436/P52436.xml&xml=/publicaciones/ficha-i.xml&base=/publicaciones/top_publicaciones-i.xml

WHITHER MULTI-LATERAL DEVELOPMENT FINANCE?

Multilateral development finance is at a critical juncture. In the past 70 years, it has developed through four distinct stages. The Bretton Woods conference established the World Bank and the International Monetary Fund in 1944 to finance post-war reconstruction and stabilize the global economy. The second stage saw the establishment of regional development banks in the 1950s and 1960s. This

SOME DIGITAL PUBLICATIONS OF INTEREST

was followed by the emergence of subregional banks. In the fourth stage, from the mid-1970s to the 2000s, specialized vertical funds were established to address global issues, and private development finance expanded. The multilateral financial architecture now has a multitude of development banks and funds. As the architecture enters the next stage, the development agenda is changing rapidly. Financially constrained traditional donors are unwilling to recapitalize the existing banks, while emerging donors want to reduce the role of traditional donors and increase their own funding. Emerging-economy bilateral programs are expanding. At the same time, new multilateral initiatives are advancing fast. The BRICS countries' New Development Bank and related contingent reserve and the PRC's Asian Infrastructure Investment Bank initiative have added to the pressure for reform, and to the risk of fragmentation. An alternative financial architecture may take shape led by emerging economies, playing down coordination and well-established development, safeguard, and governance criteria. However, there is also an opportunity for genuine reform to ensure a new and innovative multilateral architecture.

Available at:

<http://www.adbi.org/working-paper/2014/07/21/6359.whither.multilateral.dev.finance/>

THE LITTLE GREEN DATA BOOK is a pocket-sized ready reference on key environmental data for over 200 economies. Key indicators are organized under the headings of agriculture, forestry, biodiversity, energy, emission and pollution, and water and sanitation.

Available at:

<http://data.worldbank.org/products/data-books/little-data-book/little-green-data-book>

TRANSFORMING ECONOMIES: MAKING INDUSTRIAL POLICY WORK FOR GROWTH, JOBS AND DEVELOPMENT

Building on a description and assessment of the contributions of different economic traditions (neoclassical, structural, institutional and evolutionary) to the analysis of policies in support of structural transformation and the generation of productive jobs, this book argues that industrial policy goes beyond targeting preferred economic activities, sectors and technologies. It also includes the challenge of accelerating learning and the creation of productive capabilities. This perspective encourages a broad and integrated approach to industrial policy. Only a coherent set of investment, trade, technology, education and training policies supported by macroeconomic, financial and labour market policies can adequately respond to the myriad challenges of learning and structural transformation faced by countries aiming at achieving development objectives. The book contains analyses of national and sectoral experiences in Costa Rica, the Republic of Korea, India, Brazil, China, South Africa, sub-Saharan Africa and the United States. Practical lessons and fundamental principles for industrial policy design and implementation are distilled from the country case studies. Given the fact that many countries today engage in industrial policy, this collection of contributions on theory and practice can be helpful to policy-makers and practitioners in making industrial policy work for growth, jobs and development.

Available at:

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_242878.pdf

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