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## RECENT DEVELOPMENTS IN INTRA-CDCC TRADE



ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN  
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## Part I: INTRODUCTION

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In recent years, there has been growing interest in the development of intraregional trade in the developing countries, in general, and in the Caribbean, in particular. Recognition of the limitations of the inward-looking import substituting model of industrialisation and the impressive performance of the Asian economies (which was based on export orientation) have convinced the Caribbean countries to rethink their development strategy and to promote economic growth and development, based on a paradigm of open regionalism. Open regionalism involves the strengthening of regional economic integration, cooperation and interdependence through preferential integration arrangements, while promoting liberalisation, deregulation and open trade to foster international competitiveness. The proponents of this paradigm anticipate that it could be the locomotive of a more open and integrated international economy. In this process there has been a fundamental shift away from a predominantly inward-looking model of industrialisation to a more outward-oriented export-led growth strategy aimed at inserting the subregion more effectively into world markets.

Caribbean countries continue to forge closer trade and investment ties with each other. Regional integration increases the benefits, which would accrue to the countries from liberalisation, while providing a training ground for them to face international competition. The Caribbean Community (CARICOM) has implemented a number of trade liberalisation measures, including the elimination of non-tariff barriers (NTBs) such as quotas and licensing requirements. To further strengthen the integration process, CARICOM continues to work towards the establishment of a Single Market and Economy (SM&E) which will include not only a common market, but also the harmonisation of macroeconomic policies. To this end, a number of protocols have been signed, beginning with Protocol I amending the Treaty of Chaguaramas. Other protocols include: Protocol IV-on trade policy; Protocol VI-on transport policy and Protocol VII on disadvantaged countries, regions and sectors. In addition, the Governors of the Central Banks of CARICOM have been commissioned to monitor and report on a set of economic convergence criteria, as a precursor to the establishment of a monetary union.<sup>1</sup> Varying exchange rate regimes, however, with fixed exchange rates in countries such as Barbados and the Organisation of Eastern Caribbean States (OECS) and floating mechanisms in Guyana, Jamaica and Trinidad and Tobago, compounded by differing degrees of structural problems, could retard progress towards a monetary union.

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<sup>1</sup> The Convergence Criterion that was modelled on that of the European Union had three targets. These were three months import cover for a period of 12 months, 36 months of exchange rate stability (with the rate maintained within of band of 1.5 per cent above or below a par value), and a debt service ratio below 15 per cent of exports of goods and non-factor services.

Growth in trade<sup>2</sup> among the Caribbean Development and Cooperation Committee<sup>3</sup> (CDCC) countries has been relatively slow, in spite liberalisation through the removal of tariffs and quantitative restrictions. Trade between CARICOM and the non-CARICOM CDCC countries has been constrained by cultural and language barriers, underdeveloped transport systems and relatively high tariffs and quantitative restrictions. CARICOM entered into a bilateral trade agreement with the Dominican Republic in 1999. This agreement sought to promote trade in goods that conform to rules of origin, the removal of non-tariff barriers and the steady liberalisation of trade in services and capital flows. These goals are only likely to be realised, though, if the appropriate institutional mechanisms and cultural exchanges between CARICOM and the Dominican Republic are also facilitated. In addition, Suriname's accession to CARICOM was finalised in 1995, making it the first non-English speaking country to join the Caribbean Community. In 1999 Haiti was admitted to the integration group, but the terms of its membership have not been finalised. All these clearly attest to the importance, which CARICOM attaches to wider regional integration.

In assessing the evolution of intra-CDCC trade, it is useful to put it in the context of world trade developments at large. World merchandise trade grew by 3.5 per cent in 1999. Between 1990 and 1999, however, world merchandise exports grew on average by 6.5<sup>4</sup> per cent in volume and 5 per cent in value. On the other hand, world merchandise imports expanded by 6.5 per cent by volume and 6 per cent in value over the decade, slightly faster than exports by value. Exports and imports of North America increased over the decade on average by 7 per cent and 8 per cent, respectively. Exports and imports of Latin America posted strong growth of 8 per cent and 11 per cent. Exports and imports of Asia grew by 7 per cent and 6 per cent. Unfortunately, though, exports of Africa grew on average by only 1 per cent, while imports increased by 4 per cent, worsening the already weak merchandise account. With respect to commodities, exports of manufactured goods, the most dynamic merchandise export, grew on average by 7 percent over the decade. However, exports of mining products and agricultural products recorded slower growths of 4 per cent and 3 per cent, respectively. The relatively sluggish growth in agricultural exports has no doubt acted as an important constraint on accumulation and growth in a number of Caribbean countries, notably Guyana and the Windward Islands, which are heavily dependent on the sector.

Meanwhile, world commercial services exports, which were valued at around US\$1350 billion in 1999, registered slightly slower growth of 5 per cent on average in the 1990s. At the same time, world commercial services imports grew on average by 6 per cent. Surprisingly, Latin America recorded the strongest growth in services exports over the decade, no doubt benefiting from efficiency inducing restructuring and liberalisation, particularly privatisation of state companies. Notably, world trade (both in goods and services) outstripped growth in GDP

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<sup>2</sup> This paper focuses on trade in goods, as trade in services though more important for the region is not amenable to proper analysis due to a lack of data.

<sup>3</sup> Countries covered in this study are the following; OECS-CARICOM (Antigua and Barbuda, Dominica, Grenada, St Kitts and Nevis, Saint Lucia and Saint Vincent and the Grenadines), non-OECS CARICOM (Bahamas, Barbados, Belize, Guyana, Haiti, Jamaica, Suriname and Trinidad and Tobago), and the non-CARICOM CDCC (Cuba, Dominican Republic and Netherlands Antilles).

<sup>4</sup> World Trade Organization Trade Statistics, 2000.

over the decade by more than 3 per cent, since GDP growth averaged only 2 per cent. Growth in trade was propelled by multilateral trade liberalisation following the Uruguay Round of the General Agreement on Tariffs and Trade (GATT). However, growth in trade might not have had as great a positive effect as was expected. Moreover, greater relative inefficiencies in the non-tradable sectors of countries, especially the services sector, have acted as a damper on world GDP growth.

Intra-CDCC trade registered modest growth during the 1990s. Between 1990-1999, intra-CDCC exports posted growth of 3.4 per cent, almost 2 per cent less than the world's average. Exports increased from around US\$1145 million in 1990 to about US\$1365.3 million in 1999. In fact, only the growth dynamism in the latter half of the decade (growth of 4.5 per cent) prevented an average decline in region's trade. Moreover, the average figures mask the skewed nature of the trade with Trinidad and Tobago, where exports grew by almost 12 per cent in the second half of the decade, accounting for over 67 per cent of intra-CDCC exports. Although Barbados posted strong growth in exports of over 9 per cent in the latter half of the decade, its average exports were relatively small - only 13 per cent of those of Trinidad and Tobago. Notably, exports of Jamaica contracted by more than 2 per cent during the second half of the decade. Meanwhile, the OECS countries saw a sharp contraction of their exports of more than 12 per cent between 1995-1999.

On the other hand, intra-CDCC imports posted average growth of almost 10 per cent over the decade, with rather strong growth dynamism in the latter half of the period. Jamaica and Guyana, with average imports of US\$172.5 million and US\$128.6 million per year, were the largest intraregional importers. The intraregional market also continues to provide a significant share of the total imports of the OECS countries. Also, Cuba and the Dominican Republic recorded vibrant growth in imports in the latter half of the decade, offsetting the decline in the first half. The single most important aspect of intraregional trade, is probably its failure to meet growth expectations. This has been the result of a mixture of factors. Notable among these factors are: relatively static, undiversified and competitive production structures, lingering non-tariff barriers, inadequate financing and settlement arrangements, underdeveloped transport and high transportation costs.<sup>5</sup>

The objective of this study is to analyse the evolution of aggregate intra-CDCC trade in goods during the 1990s. Where data are available an attempt is also made to examine the commodity composition of trade. Finally, some analysis is provided of the impact of recent developments in the countries' trade policies on trade performance.

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<sup>5</sup> This stems from the fact that many of these countries are small island economies with a disproportionately heavy dependence on sea and air transport links. Maritime transport, therefore, constitutes the major component of transportation for the Caribbean.

## Part II: RECENT TRENDS IN INTRA-CDCC TRADE

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### A. Trade among the CDCC countries

Intraregional exports (among CDCC countries) continued to be relatively small by the standards of most integration groupings. Trade continue to be constrained by strongly competitive production structures of the countries, lingering barriers to trade, and crucially, the generally weak level of production and the low quality of the more highly demanded manufactured goods. Although total intra-CDCC exports declined only marginally (by 1.1 per cent) between 1990 and 1994 (*see Table 1 in Annex and Figure 1 below*), they are quite small in nominal and real terms. The nominal value of exports moved from US\$1145.6 million in 1990 to US\$1077.1 million in 1994. Export performance improved in the latter half of 1990s, with growth of about 4.5 per cent between 1995 and 1999, however, the low base from which this growth took place means that aggregate intra-CDCC exports remained small.

Among CARICOM only the larger non-OECS countries recorded some growth dynamism. The OECS and the non-CARICOM CDCC<sup>6</sup> countries had either stagnant growth, or declines in exports over the period. CARICOM exports<sup>7</sup> to the CDCC grew on average by 7.1 per cent between 1990 and 1994, from US\$ 621.7 million in 1990 to US\$801.0 million by 1994. Growth picked up between 1995-1999 to average 9.5 per cent. The relative vibrancy in CARICOM exports was accounted for by the larger, more developed countries, which have more diversified production structures and a higher share of manufactured exports than the OECS countries.

Non-OECS CARICOM exports to the rest of the CDCC countries expanded on average by 8.1 per cent between 1990 and 1994 and roughly 12 per cent between 1995-1999. In the former period, particularly strong growth was evident for Guyana, where exports increased by over 45 per cent on average. Guyana posted fairly strong growth in exports to the Netherlands Antilles.

Although this growth slowed to 8.9 per cent in the latter half of the decade, it left Guyana's share of the CARICOM market at 9.5 per cent, up from up 6 per cent in the first half of the decade. Trinidad and Tobago also posted commendable average growth of 9.7 per cent in the first half of the decade. The fairly high base value (US\$366.6 million) from which its growth began, though, meant that it accounted for over 58 per cent of intra-CARICOM exports during this period. In the latter half of the decade, Trinidad and Tobago's export performance within CARICOM, actually improved, with average growth of 11.9 per cent and a share of more than 67 per cent of total exports. This was not coincidental, as market reforms and industrial restructuring and innovation gave Trinidad and Tobago a significant competitive advantage over

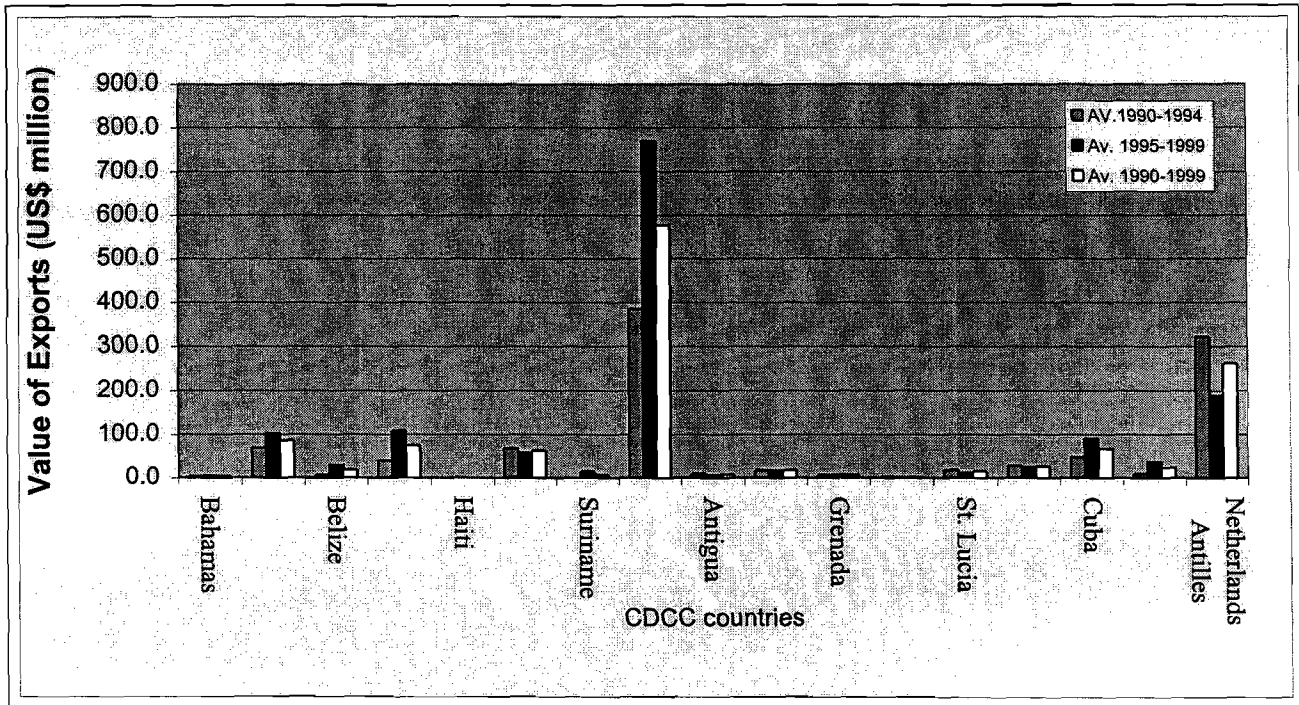
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<sup>6</sup> For the purpose of this paper, the non-CARICOM CDCC countries are Aruba, Cuba, the Dominican Republic and the Netherlands Antilles.

<sup>7</sup> To avoid ambiguity it should be noted that CARICOM exports to the CDCC would include exports of CARICOM countries among themselves, and also their exports to the non-CARICOM CDCC countries.

her CARICOM counterparts in the regional market. After a loss of competitiveness on the regional market from the early to the mid-1990s, occasioned by structural adjustment and restructuring, Barbados' exports recovered to grow by over 9 per cent between 1995-99.

**Figure 1: Average value of intra-CDCC exports by country in the 1990s**



Belize also saw significant growth in exports to the CARICOM market during the half of the 1990s, as it benefited from buoyant domestic production. By contrast, Jamaica's exports to CARICOM declined on average by 5.0 per cent between 1990-1994 and by 2.4 per cent between 1995-1999. In the course of these declines, Jamaica's share of the regional market fell from over 10 per cent in the former period to just over 5 per cent in the latter. Jamaica's regional competitiveness and export market share seem to have mirrored domestic economic performance, improving with strengthened domestic economic performance and restructuring and declining with worsening economic performance. In this regard, the latter 1990s has been particularly distressing with domestic production being crippled by a multiplicity of factors, including weak investor confidence, the collapse of financial institutions and the high cost of capital -the result of high interest rates aimed at price and exchange rate stability. It is arguable, whether Jamaica is not sacrificing domestic production and export potential in an effort to maintain price stability. There seems to be the need for a better trade-off between these two important economic goals. Exports of Suriname to the CARICOM market, though almost non-existent up to 1994, improved steadily in the latter half of the decade to reach US\$34.2 million in 1998. Unfortunately, Haiti's exports to the region remain insignificant. Supply side bottlenecks, resulting from low levels of investment, poor quality infrastructure and political instability have suppressed domestic production and exports.

Unfortunately, trade data for most of the OECS were available only up to 1998. Between 1990-1994, OECS exports to the rest of the CDCC increased marginally by 0.6 per cent on average, reaching US\$84.5 million in 1994. In the latter half of the decade (1995-1998), however, exports from the subregion declined sharply by over 12 per cent. In fact, in 1998, the subregion's exports were just over half their value in 1990. Moreover, market share in CARICOM between 1995-1999, was just over a third of that for 1990-1994. Most of the OECS countries recorded persistent declines in exports to the rest of the CDCC over the decade. Dominica had a significant reversal of its share of the regional market. Average growth in its exports of 12.0 per cent in the first half of the decade, changing to an average decline of 20.5 per cent between 1995-1998. Saint Vincent and the Grenadines' marginal average growth (1.0 per cent), in the former period, was reversed by an average decline of 2.6 per cent in the latter half of the decade. St. Kitts and Nevis and Saint Lucia, with contractions of 3.1 per cent and 13.9 per cent and 7.7 per cent and 5.1 per cent, in the first and second halves of the decade, lost market share over the decade. Grenada's market share posted a strong recovery in the latter half of the decade, registering average growth of 16.4 per cent, after declining by just over 1 per cent in the first half. The worsening performance of the OECS subgrouping reflects the fairly static nature of their production systems which have undergone very little adjustment and restructuring, limited scale economies, high cost of production and low productivity.

The non-CARICOM CDCC countries manifested weak export competitiveness to the rest of the CDCC in both the first and second halves of the decade. During the first half, their exports contracted by over 14 per cent to amount to US\$276.1 million in 1994. In the latter half, however, there was a deceleration in the rate of decline, with a decline of 3.7 per cent. Their exports, which averaged US\$379.7 million between 1990-1994, averaged US\$260.5 million between 1995-1999. Exports from the Netherlands Antilles declined by over 17 per cent between 1995 and 1998, slipping from 31 per cent of the CDCC total in the first half of the decade to just over 10 per cent in the latter half. By contrast, exports of the Dominican Republic posted strong growth from a low base, especially in the latter half of the decade (almost 50 per cent). Meanwhile, Cuba's export share recovered in the latter part of the decade after declining on average by over 13 per cent in the first half. It is anticipated, though, that with the recent trade pact between CARICOM and the Dominican Republic and as trade links with Cuba strengthen, trade with these countries should improve in the future.

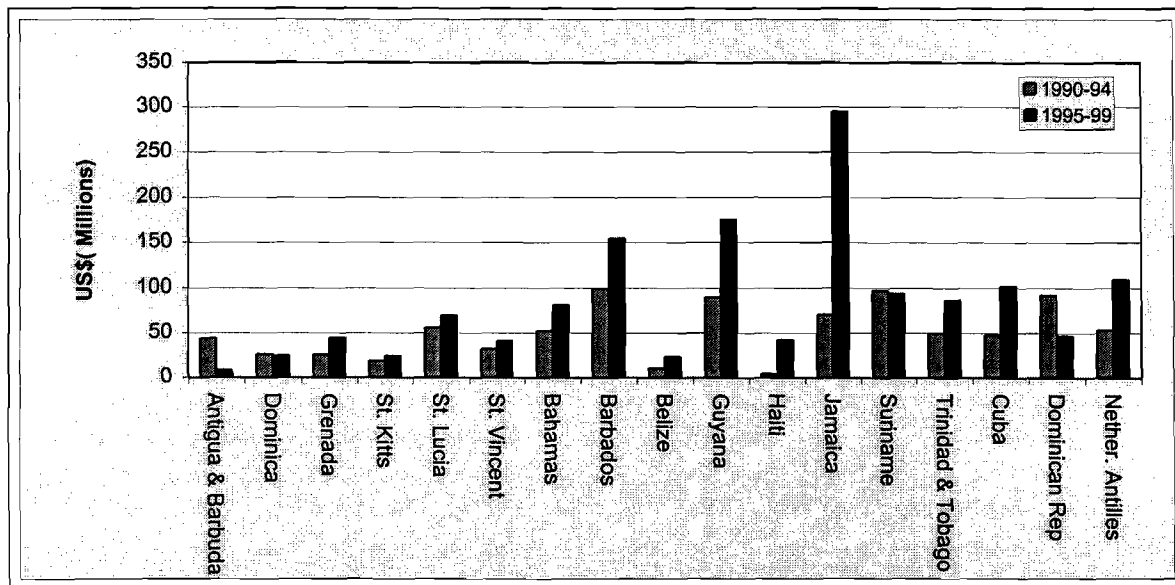
Although intra-CDCC imports have grown considerably over the years since the early 1990s, these flows are still small in relation to total imports. Also, Intra-CDCC trade is disproportionately concentrated among the CARICOM subgroup and more particularly the four largest economies, viz. Trinidad and Tobago, Jamaica, Barbados and Guyana. These countries accounted for an average 44.8 per cent of intra-CDCC imports and 56.2 per cent of intra-CARICOM imports during the period 1990-99. The evolution of trade still reflects the prevailing influence of historical and structural patterns of production and exchange, especially the outward orientation to metropolitan centres. Evidence of this is the fact that the bulk of the region's imports are still largely obtained from historical partners - the United States and Europe. Intra-CDCC imports grew from US\$876.6 million in 1990 to US\$1385.9 million in 1999, which represented an average growth rate of 10 per cent over the decade. Similar to exports, imports expanded more robustly during the second half of the 1990s averaging US\$1380.7 million, significantly higher than the total average of US\$845 million in the first half of the decade. During the entire decade (1990-1999) intra-CDCC imports averaged US\$11088.5 million. Not

surprisingly, the non-OECS CARICOM subgroup was the largest intraregional importer with its total imports averaging US\$691.3 million during the period 1990-1999, followed by the non-CARICOM CDCC countries and the OECS, with their imports averaging US\$223.0 million and US\$191.6 million, respectively. As a share of total intra-CDCC imports, the larger more developed CARICOM countries' imports represented nearly 63.0 per cent of the total. The non-CARICOM CDCC countries accounted for 20.2 per cent, while the OECS had a share of 18.8 per cent.

A closer look at the evolution of intraregional imports reveals a significant increase in CARICOM, and more particularly non-OECS CARICOM imports during the second half of the 1990s. In fact, CARICOM intraregional imports more than doubled from an annual average of US\$474.4 million in the first half of the decade to US\$951.5 million in the second half of the 1990s. This reflects considerable efforts undertaken by the integration grouping to liberalise intraregional trade, especially through the reduction of NTBs. The most prolific intra-regional importers within this subgroup are Jamaica with an average import of US\$172.5 million, Guyana-US\$128.6 and Barbados with US\$124.7 million import yearly. OECS countries intra-regional imports have grown marginally from a yearly average of US\$177.2 million in the first half of the 1990s to US\$213.2 million during the second half of the 1990s (*See Table 2 in Annex and Figure 2*). Saint Lucia, the only OECS country with a significant intra-regional import, accounted for an average 5.6 per cent of total intra-CDCC imports during the period 1990-1999.

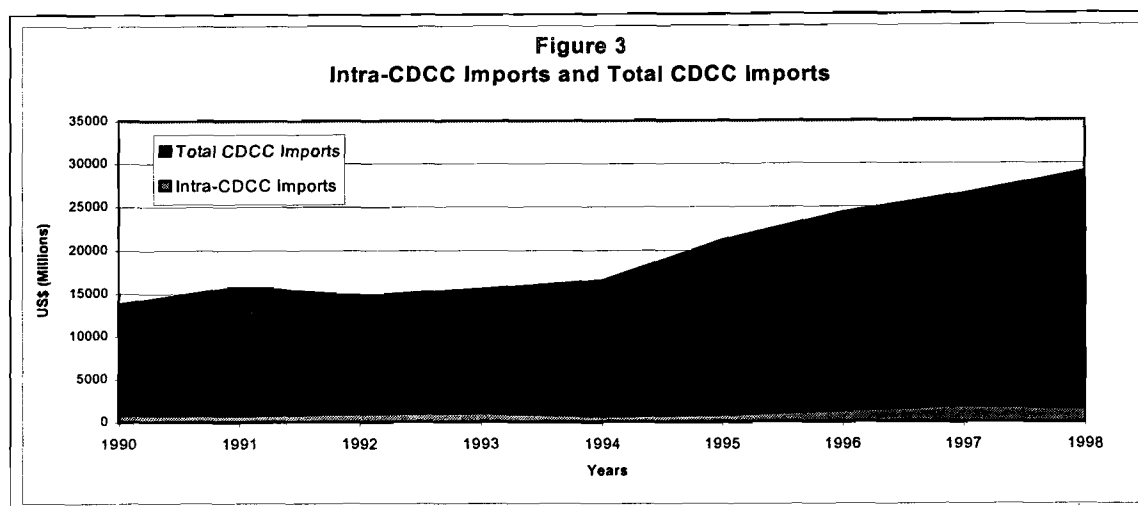
Imports of the non-CARICOM CDCC countries from other CDCC countries have seen a modest increase from a yearly average of US\$193.4 million in the period 1990-1994 to US\$258.6 million in the 1995-1999 period. All the countries imported roughly the same amount with Netherlands Antilles accounting for an average 7.2 per cent of total CDCC import, slightly higher than Cuba and the Dominican Republic with 6.5 per cent each of intra-CDCC imports.

**Figure 2: Average value of intra-CDCC imports in the 1990s**



Source: IDB Database and IMF, Direction of Trade Statistics, June 2000.

Figure 3: Intra-CDCC imports



Source: IDB Database and ECLAC, Selected Statistical Indicators of Caribbean Countries, various issues

As can be seen from Figure 2 above, CDCC intraregional imports grew faster in the second half of the 1990s, compared to the first half of the decade. Only Antigua and Barbuda and the Dominican Republic recorded lower average value of imports in the second half of the decade than the first. Antigua and Barbuda's imports from other CDCC countries, which averaged US\$23.3 million in the first half of the decade declined to a mere US\$16.9 million during the second half of the 1990s. Similarly, the average value of the Dominican Republic's import declined from US\$92.0 million to US\$46.9 million during the second half of the 1990s.

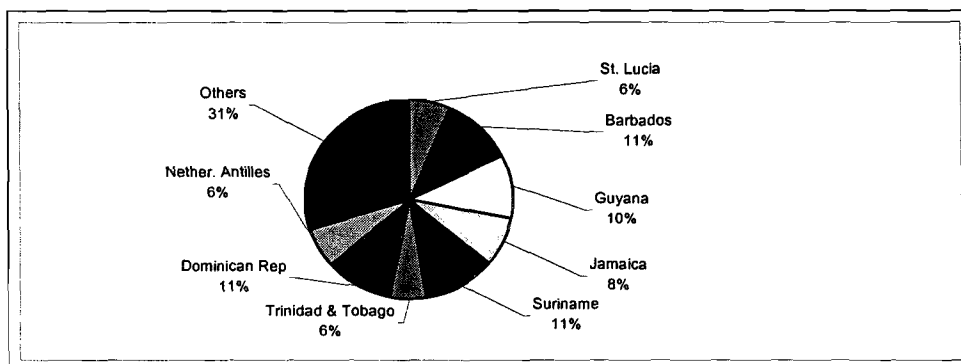
In spite of significant growth in the 1990s, the share of intra-CDCC imports in the total imports of the grouping from the world has remained relatively stagnant - averaging a mere 5.9 per cent yearly. This reflected the relatively faster growth in CDCC total imports from the world, compared with intraregional demand. Underscoring this trend, the share of intraregional imports declined from 6.8 per cent in 1990 to 5.5 per cent in 1998.

There also have been noticeable changes in the destination of imports during the decade. The larger non-OECS CARICOM countries, where annual average share of total intraregional imports grew from 54.6 per cent in the first half of the decade to nearly two-thirds in the second half of the decade, remained the dominant importers. However, there were notable changes in the shares of individual countries in between the two periods. The major intraregional importers between 1990 and 1994 were Barbados, Dominican Republic and Suriname, each accounting for 11 per cent of intra-CDCC imports. Guyana and Jamaica accounted for 10.0 per cent and 8.0 per cent, respectively, of intraregional imports. Saint Lucia's average share of 6.0 per cent was significant for an OECS economy. By the second half of the decade, Jamaica's average share in intraregional imports grew to 21.0 per cent, making it the largest intraregional importer. The average share of Guyana had gained 3 percentage points to 13 per cent while that of the Dominican Republic declined from 11.0 per cent to only 3 per cent. Although Trinidad and

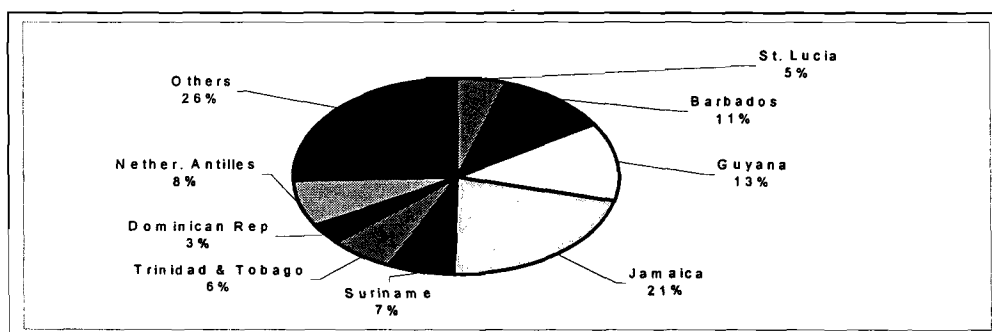


Tobago was the source of the bulk of intraregional imports, its imports from the rest of CDCC countries remained small, representing a mere 6.0 per cent of CDCC total.

**Figure 4: Share of selected CDCC countries in total intra-CDCC imports (1990-94)**



**Figure 5: Share of selected CDCC countries in total intra-CDCC imports (1995-99)**



Source: IDB Database and ECLAC, Selected Statistical Indicators of the Caribbean Countries, various Issues

## B. Trade among CARICOM countries

Gravity trade models have been used to test the impact of preferential trade agreements on trade among their members. These models have generally been found to be theoretically sound, intuitively realistic and empirically robust. Basically, the model explains trade between two countries or regions as being dependent on their relative size (defined by relative GDP, population and land area) and on transaction costs (which are proxied by distance and cultural similarities). In a 1998 study, Michael Finger<sup>8</sup> et al found that a gravity model that included a variable to isolate the relative impact of CARICOM on the Caribbean Group for Cooperation for

<sup>8</sup> See Finger, Michael, Ng, Francis and Soloaga, Isidro: "Trade policies in the Caribbean countries- A look at the positive agenda," CGCED, June 8, 1998.

Economic Development (CGCED) trade was highly significant. This suggests that the CARICOM Common Market has provided a significant boost to trade among its member countries. In spite of the positive influence of the common market and movements towards a single market and economy, the level of intra-CARICOM trade remains small in nominal and real terms. This suggests that if the finding of Finger et al were correct, intraregional trade would have been even smaller, leaving the region even more fully oriented to external markets.

As shown in *Table 3 in the annex*, nominal exports among the larger more developed CARICOM countries increased from US\$561.7 million in 1990 to US\$876.6 million in 1995. These countries (the non-OECS CARICOM subgroup), which accounted for 89.2 per cent of CDCC exports, registered growth in exports from US\$ 480.3 million in 1990 to US\$989.8 million in 1999. A picture of the external orientation of the region is reflected in the fact that intra-CARICOM exports accounted on average for just over 10 per cent of the region's total exports to the world. For the non-OECS countries, exports to the rest of CARICOM as a percentage of total exports ranged from 0.1 per cent for the Bahamas to 31.8 per cent for Barbados in 1990.

Barbados has developed a manufacturing capability in food, beverages, furniture and apparel that has been able to gain competitive share on the regional market. Among the other countries the respective shares were 15.8 per cent for Trinidad and Tobago, 6.7 per cent for Guyana and 6.6 per cent for Jamaica. An average of 23.2 per cent of OECS exports went to the CARICOM market. The ratio ranged from 11.2 per cent for St. Kitts and Nevis to 33.9 per cent for Saint Vincent and the Grenadines. Although almost all of the OECS major commodity exports - bananas and sugar - go to the European market, the regional market still absorbs an important share of its agricultural and light manufactured goods. Given the relatively weak competitiveness of OECS producers of these products - the result of factors such as high production costs, limited economies of scale and inadequate finance - producers target the regional market, where competition is less stiff than overseas.

By 1995, intra-non-OECS CARICOM exports had improved to 12.7 per cent of total exports. Barbados' share increased by almost 6 per cent to 37.6 per cent (valued at US\$ 90.7 million). Not surprisingly, Trinidad and Tobago's share grew strongly by almost 10 per cent (to total US\$604.5 million), as strengthened efficiency and competitiveness facilitated its dominance in the regional market. By 1999, Trinidad and Tobago had further increased her share to 26.2 per cent, while Barbados' share declined marginally to 35.7 per cent. Guyana's position on the regional market improved, with her relative share rising from 5.3 per cent in 1995, to 10.5 per cent in 1999. Indications are that market reforms in Guyana, especially plant retooling and financial liberalisation have facilitated greater production in Guyana. Unfortunately, by 1999, Jamaica's exports to CARICOM had fallen to 3.3 per cent of her total exports, half the proportion for 1990. There was no significant change in the aggregate OECS share, which fell slightly to 21.8 per cent in 1995. All the countries recorded declines, except Saint Vincent and the Grenadines where exports to CARICOM relative to its total exports rose to 46.1 per cent, on account of a fairly sharp decline in total exports. The country's exports to the world were adversely affected by the closure of some textile and light electronic plants.

The CARICOM countries continue to export very little, as a whole, to the non-CARICOM CDCC underscoring underdeveloped transport, financing arrangements, and cultural

differences. This was indicated by the high ratio of intra-CARICOM exports to total CDCC exports. Only Trinidad and Tobago and Guyana with average shares of 64 per cent and 26 per cent, respectively, had significant exports to the non-CARICOM CDCC countries over the decade. Trinidad and Tobago benefited from traditional exports of petrochemical related products including fuels, lubricants, chemicals and steel, and the more dynamic light manufacturing subsector with products such as food and beverages, tobacco and small household appliances.

The composition of intra-CARICOM exports has reflected the energy deficiency and demand in most members and the shift in demand away from agricultural products to manufactured goods. Between 1993-1996, combustibles and lubricants SITC 4, accounted for 52 per cent of the value of the top 100 products traded by CARICOM countries. Manufactured goods represented 24 per cent, while food and foodstuffs and minerals and metals had shares of 21 per cent and 3 per cent, respectively. Combustibles and lubricants, reflecting the energy dependence of most countries was again disproportionately weighted in the overall composition of intra-CARICOM exports, making up 30 per cent of the total. Meanwhile, manufactured goods accounted for 14 per cent, while food and foodstuffs and minerals and metals comprised 12 per cent and 2 per cent. The relatively high share of manufactured goods indicates the strong demand for these goods in the OECS, Jamaica and Guyana, from the relatively more competitive markets of Trinidad and Tobago and Barbados.

As can be seen from *Table 4 in the annex*, the total value of intra-CARICOM imports, which amounted to US\$559.4 million in 1990 grew to US\$735.6 million in 1995 before reaching a substantial US\$947.9million in 1999.<sup>9</sup> However, these aggregate values masked significant variation across the countries. The smaller economies of the OECS had relatively low values of imports. Saint Lucia had the highest value of intra-CARICOM imports totalling US\$48.7 million, US\$68.3 million and US\$76.7 million in 1990,1995 and 1999, respectively. This represented 8.7 per cent, 9.3 percent and 8.1 per cent of total CARICOM imports. Dominica's total intra-CARICOM imports grew from US\$25.1 million in 1990 to US\$33.1 million in 1999. The aggregate of OECS imports, which amounted to US\$178.1 million in 1990, represented almost one-third of CARICOM imports. By 1999 that share had fallen to 11.5 per cent.

The non-OECS CARICOM countries dominated intra-CARICOM trade. Their total value of imports grew from US\$381.31 million in 1990 to US\$838.1 million in 1999. As a percentage of total CARICOM imports, it rose from 68.2 per cent in 1990, to 87.7 per cent in 1999. The More Developed Countries<sup>10</sup> (MDCs) were the most significant importers from other CARICOM countries. The imports were significant for Barbados where they represented 18.6 per cent 1990 and 19.3 per cent 1999. Jamaica's imports grew more significantly compared to all the other countries, rising from US\$86.4 million in 1990 to US\$328.7 million in 1999. This represented 15.4 per cent and 34.7 per cent of CARICOM total in 1990 and 1999, respectively. Trinidad and Tobago's imports declined from US\$86.9 million in 1990 to US\$58.7 million in 1995, and then rebounded to US\$112.3 million in 1999.

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<sup>9</sup> This total value does not include import values for Antigua and Barbuda, Grenada, St Kitts-Nevis and St Vincent and the Grenadines.

<sup>10</sup> This comprises Barbados, Guyana, Jamaica and Trinidad and Tobago.

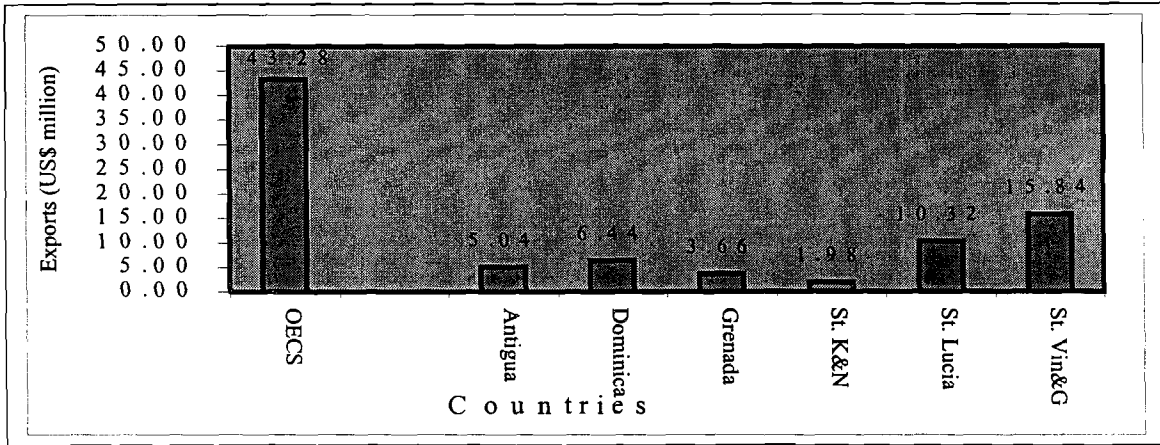
The composition of imports by product group reveals that the most significant goods traded in the region are minerals, fuels and lubricant, food and live animals and manufactured goods. The share of minerals, fuels and lubricants (SITC 3) in total imports has increased significantly from 20.0 per cent in 1990 to 40.0 per cent in 1996. The share of food and live animals (SITC 0) has remained relatively unchanged at around 17.4 per cent. The relative importance of the manufactured goods in intra-CARICOM imports has been on a steady decline. All the categories of manufactured goods had experienced a decline in their relative shares in intraregional imports. For example, the share of chemical and related products (SITC 5) declined from 15.5 per cent in 1990 to 11.8 per cent in 1996. Manufactured goods classified chiefly by materials (SITC 6) had lost 6.6 percentage points falling to 15.5 per cent in 1996. The share of machinery transport and equipment (SITC 7) also declined from 3.8 per cent to 2.4 per cent in 1996 while that of miscellaneous manufactured articles (SITC 8) decreased to 6.2 per cent from 9.1 per cent in 1990. This steady decline in the share of manufactured goods in intraregional imports and the weak growth in these exports to extraregional markets do not augur well for the future of the manufacturing sector in the CARICOM economies. Production and market development strategies, including technical assistance and affordable finance, are required to boost intraregional trade in manufactured goods. This is particularly important since these goods cannot be diverted easily to extraregional markets due to weak international competitiveness influenced by their adaptation largely to regional income, tastes and custom.<sup>11</sup>

### C. Intra-OECS trade

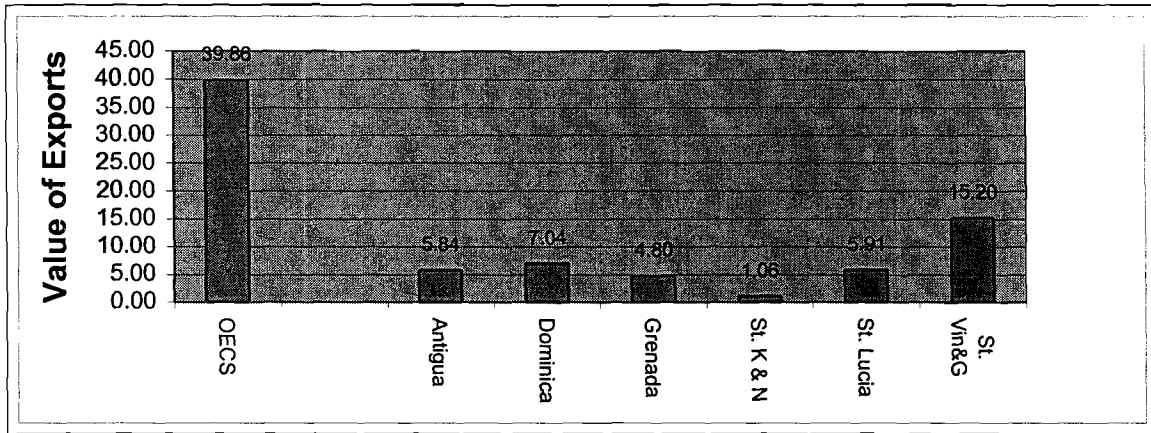
In spite of the relatively stronger integration links among the OECS countries - the common currency and monetary arrangement - intra-OECS trade remains small in nominal and real terms. This can be attributed in part to low levels of production, especially of higher value added, manufactured goods and the similarity in the production structures. Figure 6 below shows that intra-OECS exports averaged US\$43.3 million between 1990-1994. Saint Vincent and the Grenadines, where exports accounted for over 36 per cent of the total, was the dominant subregional trading partner in the first half of the decade. The market share of Saint Vincent and the Grenadines was buoyed by the exports of food, beverages and tobacco, galvanised sheets and other metal products. Among the other countries, exports ranged from US\$10.3 million in Saint Lucia to just under US\$2.0 million in St. Kitts and Nevis. Saint Lucia's exports consisted mainly of food, beverages, tobacco products and paper products, such as cardboard boxes for banana packaging, while St. Kitts and Nevis' exports included food and beverages, for example, beer and soda beverages and pasta products. Dominica with exports of US\$6.4 million was in the medium range, having benefited from a competitive market niche in soap and cosmetic products and beer exports.

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<sup>11</sup> See Inter-American Development Bank, *Integration and Trade in the Americas*, Periodic Note, October 1999.

**Figure 6: Total intra-OECS exports 1990-1994**

Source: IDB Database and ECLAC, Selected Statistical Indicators of the Caribbean

**Figure 7: Total average exports of OECS 1995-98 (US\$ millions)**

Source: IDB Database and ECLAC, Selected Statistical Indicators of the Caribbean

By contrast, during the latter half of the decade, average intra-OECS exports declined by almost 8 per cent to US\$39.9 million. The inter-country distribution did not change much, though. Saint Vincent and the Grenadines was still the major exporter with over 38 per cent of the average for the period, while Dominica with almost 18 per cent had overtaken Saint Lucia in the second place. Saint Lucia and Antigua and Barbuda had average annual exports of US\$5.9 million and US\$5.8 million, respectively, while for Grenada the figure was US\$ 4.8 million. Saint Lucia was the major destination for exports from Grenada (50.6 per cent or US\$2.4

million) and Saint Vincent and the Grenadines' (39 per cent or US\$6 million). Antigua and Barbuda and Dominica were each other's major trade partners.

Intra-OECS imports declined during the 1990s. Total average imports contracted by 7.8 percentage points in the second half of the 1990s. Total average value of imports, as shown in *Table 6 in the annex*, varied considerably across countries. Import demand varied according to the size, economic performance and purchasing power of individual countries. Saint Lucia, the largest member (GDP and population size), was the largest intra-OECS importer during the decade. In the first half of the decade Saint Lucia had total average imports of US\$12.5 million, of which more than a half (55.4 per cent) was purchased from Saint Vincent and the Grenadines. Dominica was next in line, with average imports of US\$9.0 million from other OECS countries obtained mainly from Saint Lucia and Saint Vincent and the Grenadines. Antigua and Barbuda's imports of US\$3.0 million represented 8.6 per cent of intra-OECS total. Intra-OECS imports, however, declined from US\$35.4 million to US\$32.7 million in the second half of the 1990s. This decline was reflected in Antigua and Barbuda's and Dominica's imports, but more disproportionately in the latter's import, which lost two thirds of its 1990-1994 value. On the other hand, Saint Vincent and the Grenadines' import grew slightly by 10.8 per cent to US\$3.2 million in the second half of the decade. St. Kitts and Nevis and Grenada's total imports averaged US\$4.3 million and US\$2.9 million in the second half of the decade, respectively.

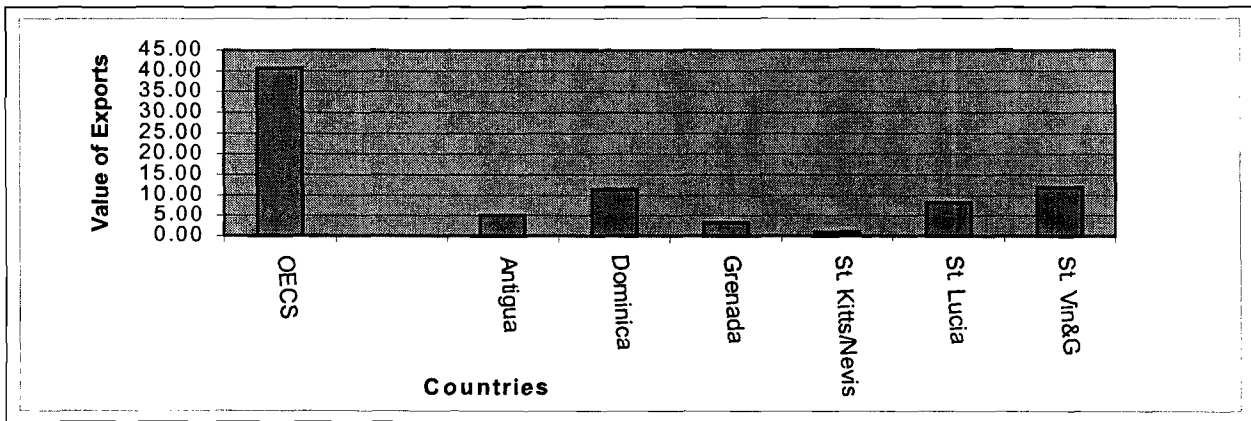
Saint Vincent and the Grenadines and Saint Lucia accounted for most of intra-OECS imports - an average of roughly 60 per cent over the decade. Saint Vincent and the Grenadines provided an average of about 38 per cent over the period, while for Saint Lucia, the average was over 21 per cent. Both countries benefited from the relatively more diversified manufactured goods subsector - the most heavily traded products. Saint Vincent and the Grenadines with relatively more competitive output of food products (especially flour, rice animal feeds), beverages and building materials was the most important subregional exporter.

#### **D. Trade between the OECS and the rest of CARICOM**

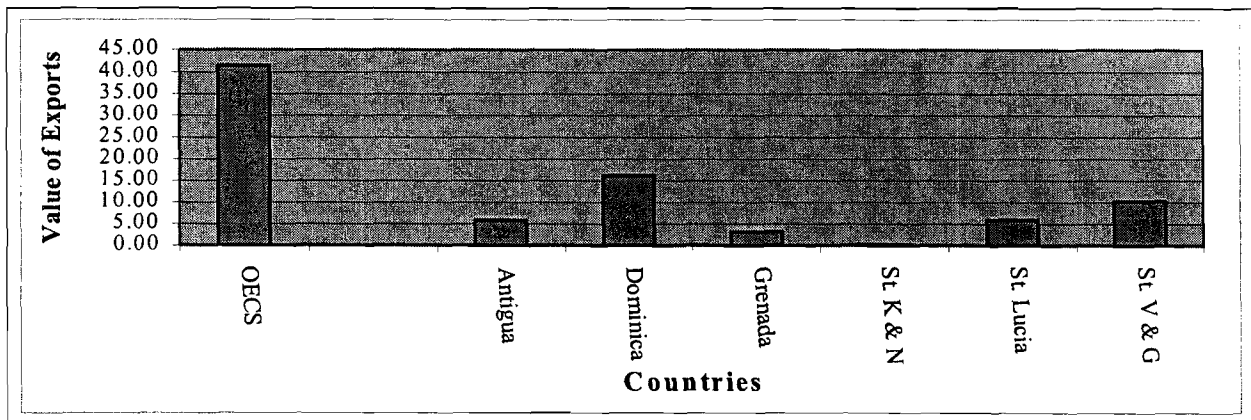
OECS countries' exports to the region averaged only US\$40.7 million for 1990-1994 (see figure 8 and table 7 in the annex), indicating the comparatively weak penetration of the market of the larger CARICOM countries. Saint Vincent and the Grenadines was the largest OECS exporter to the rest of CARICOM, with exports of US\$11.9 million. Dominica followed with average exports of US\$11.4 million. Saint Lucia and Antigua and Barbuda had average exports of US\$8.2 million and US\$5 million, for the first half of the decade. Meanwhile, for Grenada and St. Kitts and Nevis the shares were even smaller, amounting to US\$3.2 million and US\$1 million. Trinidad and Tobago provided the largest demand for OECS exports, absorbing US\$15.4 million worth of goods on average or almost 38 per cent of the total for CARICOM. The second and third positions were taken by Barbados (27.3 per cent or US\$11.1 million) and Jamaica (23 per cent or US\$9.3 million). Three OECS countries - Saint Vincent and the Grenadines, St. Kitts and Nevis and Grenada - sent most of their exports to Trinidad and Tobago, while two - Saint Lucia and Antigua and Barbuda - favoured Barbados; while for Dominica the Jamaican market was most important.

In the second half of the decade, OECS exports to CARICOM increased marginally, by just under 2 per cent to amount to US\$ 41.4 million. There was some change in the distribution by countries though, with Dominica surpassing Saint Vincent and the Grenadines as the major exporter. Dominica's exports averaged US\$ 16.2 million, more than 39 per cent of the total for the subregion. The country's strengthened competitiveness was built largely on the performance of soap and cosmetic products, produced by Dominica Coconut Products Limited, that was later taken over by the multinational company Colgate Palmolive Ltd. Saint Vincent and the Grenadines' exports declined 14 per cent to US\$ 10.2 million in response to the closure of some manufacturing firms, among other factors. Exports from Saint Lucia registered a moderate decline to US\$5.9 million, while those from Antigua and Barbuda were basically stable. Trinidad and Tobago remained the largest market for OECS exports, accounting for over 31 per cent of the total.

**Figure 8: Average value of OECS exports to CARICOM 1990-94 (US \$ millions)**



**Figure 9: Average value of OECS exports to CARICOM 1995-98 (US\$ millions)**



OECS imports from the non-OECS CARICOM<sup>12</sup> countries were a significant proportion of their total imports from the world at large. During the period 1990-1994, OECS imports from the rest of CARICOM amounted to US\$149.3 million of which (70.3 per cent) came from Trinidad and Tobago (*see table 8 in the annex*). This consisted mainly of oil and petrochemical-based manufactured products. Saint Lucia was the largest importer from the rest of CARICOM, importing an average US\$43.5 million worth of goods yearly, followed by Saint Vincent and the Grenadines and Grenada with average import values of US\$29.2 million and US\$29.1 million, respectively. Over two thirds of Saint Vincent and the Grenadines' imports came from Trinidad and Tobago, while imports from Barbados and Jamaica represented 17.7 per cent and 7.0 per cent of its total imports from the rest of CARICOM. Antigua and Barbuda imported, on average, goods to the value of US\$15.9 million with more than a half coming from Trinidad and Tobago and the remainder coming largely from Barbados and Jamaica.

During the second half of the 1990s, OECS imports from the rest of CARICOM reached US\$202.3 million, representing an increase of over 35.5 per cent for the period under review. This increase was reflected in virtually all the countries and more significantly in the imports of Grenada and Saint Lucia, which posted growths of 45.2 per cent and 35.2 per cent, respectively. Similarly, more than two-thirds (72.2 per cent) came from Trinidad and Tobago. OECS imports from Barbados increased from US\$ 26.9 million to US\$34.5 million, which represented 16.8 per cent of total OECS imports. On the other hand, OECS countries imported 9.3 per cent less from Jamaica than they did in the first period of the 1990s. Jamaica's imports declined by about 3 per cent to 6.1 per cent of the total in the latter half of the 1990s, reflecting the decline in its imports and the growth in imports from Trinidad and Tobago, Barbados and other countries.

Saint Lucia, with average imports of US\$58.8 million yearly, was the largest importer followed by Grenada with an average of US\$42.1 million, most of which came from Trinidad and Tobago. Dominica's imports grew by US\$7.3 million to US\$24.4 million in the second half of the 1990s. St. Kitts and Nevis' imports also grew significantly from US\$14.5 million in the first half of the decade to US\$20.1 million in the second half of the 1990s. Like all the OECS countries, Dominica acquired the bulk (67.8 per cent) of its imports from Trinidad and Tobago and 19.9 per cent from Barbados. St. Kitts and Nevis' imports were mainly obtained from Trinidad and Tobago (71.1 per cent), Barbados (17.4 per cent) and only 8.5 per cent from Jamaica.

### **E. Intra-non-OECS CARICOM trade**

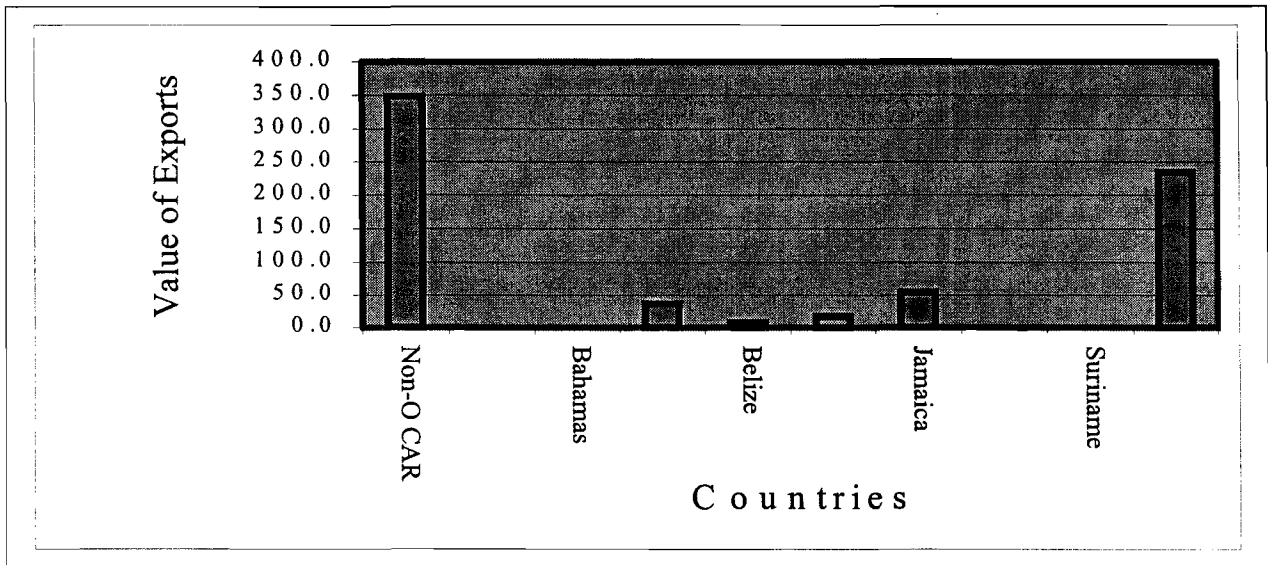
Although they are larger economies than the OECS, the scale and evolution of intra-non-OECS CARICOM exports were similar to that of the OECS, that is their exports remained rather small, averaging only US\$348.3 million between 1990-1994. This represented 9 per cent of total trade with the World, as shown in *figures 10 and 11 and table 9* in the annex. Only Barbados and Trinidad and Tobago, with shares of 39.5 per cent and 18.4 per cent, had relatively high average shares as a proportion of their total exports to the rest of CARICOM. Trinidad and Tobago exported, on average, US\$234.9 million to the region, 67 per cent of the total.

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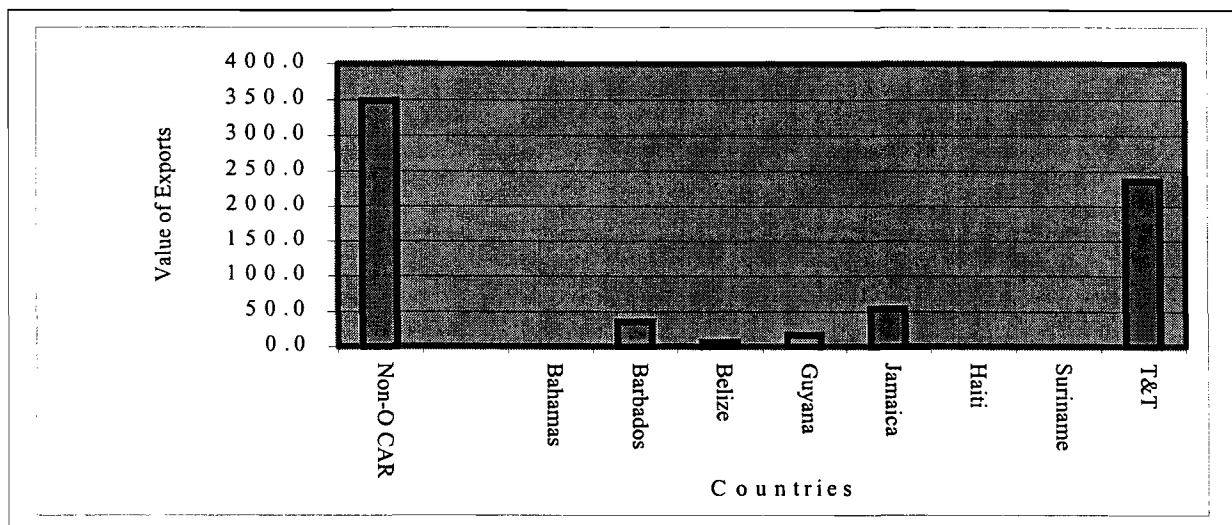
<sup>12</sup> Excluding Haiti and Suriname.



**Figure 10: Value of intra-non-OECS CARICOM exports 1990-94 (US\$ millions)**



**Figure 11: Value of intra-non-OECS CARICOM exports 1995-98 (US\$ millions)**



Jamaica captured 15 per cent of the market, with average exports of US\$53.7 million. However, this represented only 5 per cent of Jamaica's total exports, the bulk of which were directed to the North American market. Guyana and Belize had small exports to the subregion, while Suriname and Haiti were almost non-players in this market. These countries, especially Suriname and Haiti, need to implement policies to restructure and diversify domestic production

of furniture and food products for which they probably could gain a larger share of the regional market. Barbados provided US\$35.9 million of exports from the non-OECS CARICOM, over 10 per cent of the total. Among the other countries, Jamaica absorbed 24 per cent, while Trinidad and Tobago, Guyana and Suriname took 5 per cent each.

In contrast, during the second half of the decade, intra-non-OECS CARICOM exports almost doubled to US\$681.4 million. Unfortunately, though, the distribution of exports became even more skewed, with Trinidad and Tobago capturing almost three quarters of the subregional market. This attested not only to the high value of Trinidad and Tobago's petroleum, steel and chemical products in the oil-based sector, but also to the dynamism and competitiveness of its non-oil manufacturers. Indications are that producers of food and beverage and light manufactured goods from Trinidad and Tobago were able to capture a large share of the CARICOM market on account of the superior price and quality of their products. The rest of the market went primarily to Barbados (8 per cent), and Jamaica and Guyana with 6 per cent each. In terms of destination, Jamaica absorbed almost 37 per cent of the total (US\$251 million), while Barbados and Guyana had 18 per cent and 15 per cent, respectively.

In nominal terms, the total average value of non-OECS CARICOM imports increased substantially from US\$386.8 million during the period 1990-1994 to US\$712.3 million in the period 1995-1999. The average value of these countries' imports, however, has varied quite significantly over the period under review.

The most significant intra-non-OECS CARICOM importers during the 1990s were the four countries classified as MDCs. The nominal value of Barbados' imports averaged US\$96.7 million in the first half of the 1990s and US\$133.0 million in the second half of the period under review. This represented an increase of 47.4 per cent over the period under review. Jamaica had the second highest average value of import at US\$88.1 million during the first half of the decade. Its imports represented 22.7 per cent of the total for the MDCs. Suriname and Trinidad and Tobago's total imports, which averaged US\$81.2 million and US\$63.5 million, respectively, were also significant.

During the period 1995-1999, Jamaica's total imports averaged a substantial US\$284.8 million yearly, representing 40.0 per cent of total imports for the MDCs. Suriname's imports declined by 14.4 per cent to US\$69.5 million, partly the result of economic difficulties that dampened purchasing power. This was mainly reflected in a decline in imports from Trinidad and Tobago, which contracted by 23.1 per cent. Guyana's imports, on the other hand, grew substantially from US\$42.2 million in the first half to US\$112.0 million in the second half of the year, representing 15.7 per cent of total imports. Trinidad and Tobago's imports of US\$80.8 million represented only 11.3 per cent of total non-OECS CARICOM imports.

The most prolific intraregional importers were Jamaica and Barbados, accounting for some 40.0 per cent 18.4 per cent of intra-non-OECS CARICOM imports. Trade, particularly on the import side between these two countries, plus Trinidad and Tobago, constituted the busiest commercial link within the subgroup. For example, in the second half of the 1990s Barbados imported an average US\$109.5 million and US\$12.3 million worth of goods from Trinidad and Tobago and Jamaica, respectively. Jamaica's imports from Trinidad and Tobago averaged US\$237.5 million, while that from Barbados averaged US\$21.4 million.

On the other hand, Trinidad and Tobago imported an average US\$21.7 million and US\$19.4 million worth of goods from Barbados and Jamaica, respectively. Although Trinidad and Tobago imported disproportionately less from Jamaica and Barbados than they imported from Trinidad and Tobago, the three economies are nonetheless the most integrated through trade in the subgroup. The bulk of non-OECS CARICOM imports were sourced from Trinidad and Tobago. The imports of the rest of non-OECS CARICOM from Trinidad and Tobago represented 67.2 per cent in the first half, and 72.5 per cent in the second half of the 1990s, of total intra-group imports.

As expected, the bulk of the imports of the non-OECS CARICOM from Trinidad and Tobago consisted of oil, mineral fuels and other petrochemical-based products. However, imports of non-oil food and beverage products and small appliances have grown to some significance.

#### **F. Trade between CARICOM and the non-CARICOM CDCC countries**

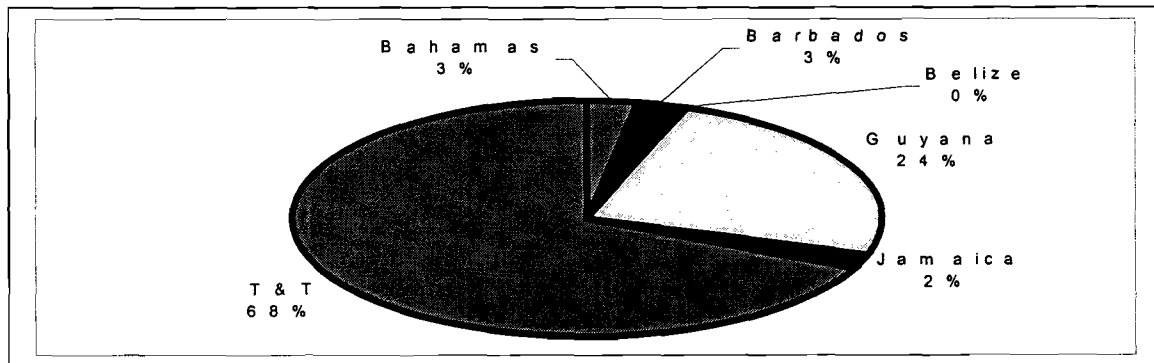
Although the non-CARICOM countries present a veritable market that could be tapped by CARICOM<sup>13</sup>, weak trade links, as a consequence of inadequate transport and financing arrangements and cultural barriers, prevent adequate use of this market. In the first half of the decade, CARICOM exports to the non-CARICOM CDCC countries were quite small, averaging US\$58.2 million per year (*see table 11 in the annex*). Exports to the Dominican Republic and Cuba accounted for 42.8 per cent and 28.2 per cent of exports, respectively. The Netherlands Antilles took 22.7 per cent of average exports, while the share to Aruba was marginal. The bulk of these exports represented petrochemical and some manufactured goods from Trinidad and Tobago. Trinidad and Tobago provided over 94 per cent of exports to the Dominican Republic and almost 86 per cent of the share to Cuba. Guyana, however, was the largest exporter to the Netherlands Antilles, with a share of over 90 per cent (US\$11.9 million).

The second half of the decade witnessed a tripling of CARICOM exports to the non-CARICOM CDCC. There was also some shift in the origin and destination of flows. Exports from Trinidad and Tobago declined to 60.2 per cent of the total (averaging US\$121.4 million). Meanwhile, average exports from Guyana picked up from 24 per cent to roughly 29 per cent of the total in the second half of the decade. The restructuring and retooling programmes in Guyana in the latter half of the decade might have acted as a catalyst for improved exports. Also, the Netherlands Antilles replaced the Dominican Republic as the major recipient of exports, accounting for over 56 per cent of the total. Interestingly, over 92 per cent of Guyana's exports were to the Netherlands Antilles. Exports from Suriname made up over 5 per cent of the total, while Jamaica's remained small at around 3 per cent. The Dominican Republic demanded 27.9 per cent of exports, while 12.9 per cent went to Cuba. Moreover, the fluctuation in the export flows over the years points to the potential for making market share more consistent through the improved quality of products and regular shipping. However, language and cultural barriers, such as tastes and preferences, would have to be overcome for this potential to be realised.

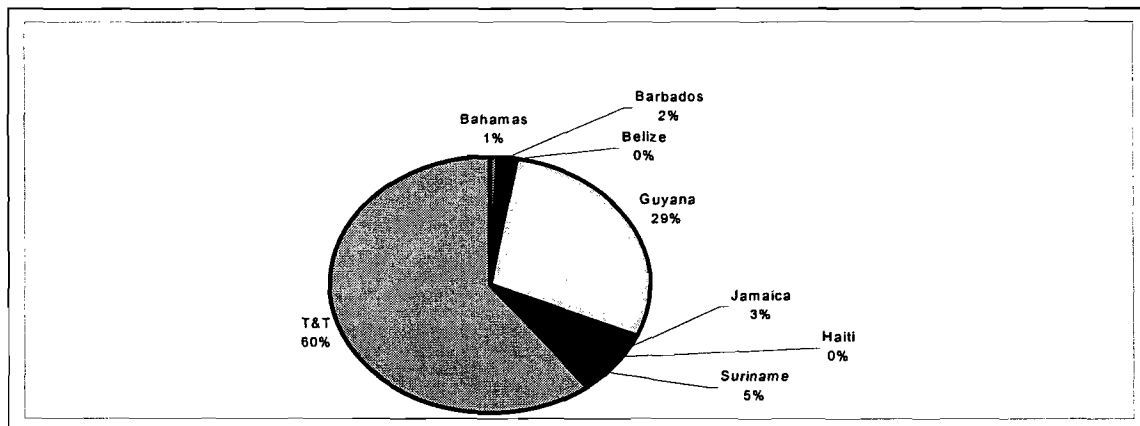
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<sup>13</sup> CARICOM here denotes the non-OECS CARICOM countries, as the OECS carries on very little trade with these countries, and no data were available for the OECS.

**Figure 12: Average CARICOM exports to the non-CARICOM CDCC by country 1990-94**



**Figure 13: Average CARICOM exports to the non-CARICOM CDCC by country 1995-99**



Underscoring the concentration of OECS' trade with the EU, static production structure, weak transportation linkages and lack of competitiveness, OECS countries' trade with the non-CARICOM CDCC countries remains weak. In fact, no trade flows were recorded between these groups of countries over the period 1990-1999. As far as the non-OECS CARICOM is concerned, the bulk of their imports was concentrated in the Bahamas and Guyana, accounting for a combined 79.9 per cent of total imports during the first half of the 1990s. Some countries, like Haiti for example, registered virtually no trade flows during this period, and those that did, had values that showed significant variation from one year to the next.

CARICOM imports from the non-CARICOM-CDCC countries amounted to an average US\$131.6 million in the period 1990-1994. The bulk of the imports, 89.4 per cent, were obtained from the Netherlands Antilles with the remaining 5.5 per cent and 5.1 per cent coming from Cuba and the Dominican Republic, respectively. The largest importers were Guyana and the Bahamas with an average import of US\$52.8 million and US\$52.3 million worth of goods,

respectively. Barbados' imports which averaged US\$19.8 million from the Netherlands Antilles, was also significant and represented 15.0 per cent of CARICOM total imports. Suriname imported an average US\$2.1 million worth of goods mainly from the Dominican Republic.

During the second half of the 1990s, CARICOM imports more than doubled to US\$286.8 million of which US\$210.6 million or 73 per cent came from the Netherlands Antilles. Virtually all the countries, with the exception of Barbados, experienced increases in imports from the non-CARICOM CDCC countries. Imports from the Dominican Republic and Cuba also grew to US\$52.5 million and US\$23.6 million, respectively. The former accounted for 18.3 per cent while the latter accounted for 8.2 per cent of CARICOM import from the subgroup.

Significant importers within the CARICOM countries were once again Guyana, the Bahamas and Haiti. Guyana's imports of US\$87.4 came from the Netherlands Antilles (83.4 per cent) with the remainder 16.6 per cent from Cuba. The Netherlands Antilles was almost exclusively the source of the imports to the Bahamas, while Haiti obtained most its imports (US\$37.7 million) from its neighbour, the Dominican Republic, and only US\$7.2 million from the Netherlands Antilles. Barbados' imports declined by 36.4 per cent to US\$12.6 million in the period 1995-1999. Jamaica and Suriname experienced a substantial increase in their imports from the non-CARICOM CDCC. For the former imports, grew from US\$2.7 million to US\$23.7 million of which 78.1 per cent came from the Netherlands Antilles.

#### **G. Trade among the non-CARICOM CDCC countries.**

The non-CARICOM CDCC countries had virtually no trade among themselves. This was so even for countries with cultural and language ties such as Cuba and the Dominican Republic and Aruba and the Netherlands Antilles. Between 1990-1994, the Netherlands Antilles exported goods valued at US\$88 million to the Dominican Republic. During the latter half of the decade, the Dominican Republic had exports of US\$1.5 million to Cuba and US\$0.3 million to the Netherlands Antilles.

Detailed analysis of intra-non CARICOM CDCC imports is hampered by the lack of up-to-date, comprehensive and comparable time series data on trade. Data available and shown in (*Table 13 in the Annex*) below reveals that intra-non CARICOM CDCC imports have been evolving at a slow pace during the 1990s and in terms of origin seems to be dominated by one country, the Netherlands Antilles.

In the first half of the decade, intra non-CARICOM CDCC imports amounted to an average US\$101.7 million yearly. The Dominican Republic imported goods valued at US\$66.6 million yearly from the Netherlands Antilles compared to average imports of US\$29.6 million for Cuba. The Netherlands Antilles imported an average value of US\$4.5 million worth of goods from the Dominican Republic. During the second half of the 1990s, intra non-CARICOM CDCC imports declined to US\$55.5 million and were almost wholly accounted for by Cuba. The Netherlands Antilles imported a mere US\$0.1 million worth of goods yearly from Cuba.

## H. The evolution of trade policy and its impact on the CDCC countries

Traditional trade theory assigns an important role to the trade policy regime alongside comparative advantage as a determinant of a country's trade flows. In the CDCC countries, significant specialisation in the export of primary products do reflect comparative advantage to a large extent. Probably more important than comparative advantage, however, primary export specialisation has been influenced by preferential trading agreements, notably the Lomé Agreement, the CBI and CARIBCAN. Indeed it has been argued that preferential treatment has probably reinforced static comparative advantage based on low value added primary production of sugar, bananas, rice, rum and other products and impeded diversification into higher value added manufactured goods.

Changes in trade policy and weaknesses in the institutional support systems have no doubt had an important impact on trade outcomes. For most of the post-war period, CDCC countries had engaged in import substitution policies to facilitate domestic production to reduce import dependence. However, inadequate institutional systems relating to financing and trade clearing mechanisms, the efficiency of customs, transport and marketing arrangements have hampered regional trade. During the 1980s, and the 1990s in particular, there has been an about-turn in the policy strategy, as the region pursued market reforms and trade liberalisation based on a policy of export-led growth.

In response to the export promotion strategy, CARICOM has made a number of changes to realign its trade regime. A major plank of reform has been the gradual reduction of the Common External Tariff (CET), since 1993. The basic objectives of the CET were: to limit imports that competed with production in the region through the levying of higher tariff rates on competing rather than for non-competing goods. Secondly, to promote imports of inputs and capital goods to boost domestic production and to limit imports of final consumer goods (which do not facilitate production), through the use of higher relative tariff rates on consumer goods. With respect to the rules of origin, competing products are defined as those goods for which regional output could satisfy 75 per cent or more of regional demand. There are a number of exceptions to this benchmark figure, though, to facilitate certain types of activities. Revisions in the CET means that from a ceiling of 35 per cent, the final tariff is scheduled to range from 0-20 per cent. With the full completion of the tariff reduction schedules, the unweighted average tariff is expected to stand at around 10 per cent.

The reduction in the CET has had important implications for the CARICOM countries. Firstly, it has facilitated accelerated growth in intraregional trade in the latter half of the 1990s. Secondly, the changes have opened the countries to fairly significant external competition as a result of the erosion of protectionist barriers against third countries. This has resulted in disparate gains for countries in the region, based on their abilities to restructure production to face the competition. Consequently countries, such as Trinidad and Tobago and to a lesser extent Barbados, which have undertaken important restructuring have been the major beneficiaries of the tariff reductions. Meanwhile, Jamaica, Guyana and the OECS, which have done little restructuring at the firm level, have had declining or stagnant regional market share.

The fallout from the changes in the CET has also been felt in the fiscal accounts of most countries, particularly those that are overly dependent on trade taxes for revenues. This has been

particularly so for the OECS countries, where trade taxes account for more than 50 per cent of total tax revenue. In these countries, trade liberalisation would need to be complemented by sound fiscal restructuring and reform to maintain fiscal revenues. OECS countries have upgraded their budgeting and tax collection systems, but they are now contemplating the movement towards a Value Added Tax (VAT) to fill the revenue shortfall from the reduction of import duties in some cases. Given the unsatisfactory experience of Grenada with the VAT, though, these countries need to design a well-structured, integrated framework for such a tax. Moreover countries, such as Antigua and Barbuda and St. Kitts and Nevis, might need to consider the reintroduction of personal income tax, along with a VAT because of the progressive nature of the former. Importantly, as the region commits more to opening up its economy at the international level, or within the FTAA, the CET might become of little importance as a policy instrument.

Inadequate financing also acts as a vital constraint to intraregional trade flows. Since the collapse of the CARICOM multilateral clearing facility in 1983, no sound financing arrangement has been put in place to facilitate trade. The situation has been aggravated in recent years, with some countries having fixed exchange rate systems, while others have flexible mechanisms, and the disparate acceptance of some currencies in the settlement trade transactions. Although Barbados, Jamaica and Trinidad and Tobago are members of the Latin American Export Bank (BLADEX), based in Panama, its finance is short term and at costly market rates that are not well suited to the needs of the region. The OECS has a small Export Promotion Body, but the quantity and terms of its finance provided are incapable of fostering sustainable exports. An appropriate trade financing system, with relevant credit facilities, forward buying and other flexible options is urgently required to expedite intraregional trade.

Arguably, the lack of an effective transportation policy within the CDCC countries has been a crucial constraint on intraregional trade. Strategies for contracting and financing air and sea transport systems have been quite inadequate. The worse case of this is probably for transport systems between the CARICOM and the non-CARICOM CDCC countries, where the limited availability of timely shipping and air cargo services is a tremendous hindrance to growth in trade.

Appropriate marketing systems are also required to facilitate intraregional trade. There is a need for better trade promotion mechanisms including trade shows, trade expos and direct market-making through customer surveys and dealings with brokers and retailers. In all instances, efforts must be made to ascertain the tastes, preferences of consumers and the technical, health and safety standards that exported products must meet. This limits rejection of products and saves time and money. Better use must also be made of information technology, especially the Internet, to advertise regionally the products of different countries and firms and to promote information and exchange between producers and consumers.

### **Part III: Conclusion**

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Owing to the inherently competitive nature of their production systems, lingering tariff and non-tariff barriers and a continued orientation towards Europe and North America (both for machine and equipment and consumer goods), intra-CDCC trade continues to be small in absolute terms and also relative to the region's total trade. Intra-CDCC exports declined by 1.1 per cent between 1990-1994, from an already low base. Export performance improved in the second half of the decade, however, when growth of 4.5 per cent was recorded. Improved liberalisation under the CET and some cross-border movement of enterprises in the region helped to galvanise trade. Meanwhile, intra-CDCC imports grew from US\$876.7 million in 1990 to US\$1385.9 million in 1999. Jamaica, Guyana and Barbados continue to be the primary importers in the region, while Trinidad and Tobago is a net exporter. For their size, the OECS countries are also relatively important importers from the rest of the CDCC - a manifestation of their limited productive capacity. Meanwhile, the non-CARICOM countries remain weakly integrated with the rest of the CDCC with very little trade with them. This demands the use of better trade facilitation measures to promote this trade.

During the latter half of the 1990s, CARICOM has endeavoured to strengthen its integration platform through the Single Market and Economy and the establishing of trade links with non-members, such as the Dominican Republic. This has resulted in some improvement in trade in the region. There is an urgent need, however, to improve trade development and facilitation strategies in the overall integration framework. This will entail strengthened specialisation through production integration, the provision of adequate financing and clearing systems to facilitate transactions, improved transportation links and more efficient customs services. Even with these changes, CDCC trade would still be strongly oriented to North America and Europe, but at least the countries would have taken better advantage of the opportunities in the regional market.



**STATISTICAL ANNEX**



**Table 1**  
**Value of intra-CDCC exports by country of origin and average values**  
**for 1990-1994 and 1995-99**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	Av.90-94	Av.95-99
<b>CDCC</b>	<b>1145.6</b>	<b>964.7</b>	<b>973.1</b>	<b>1013.4</b>	<b>1077.1</b>	<b>1324.9</b>	<b>1438.1</b>	<b>1698.2</b>	<b>1257.8</b>	<b>1365.3</b>	<b>1034.8</b>	<b>1416.8</b>
<b>CARICOM</b>	<b>621.7</b>	<b>556.1</b>	<b>599.7</b>	<b>697.1</b>	<b>801.0</b>	<b>1018.5</b>	<b>1074.4</b>	<b>1165.2</b>	<b>1210.2</b>	<b>1313.4</b>	<b>655.1</b>	<b>1156.3</b>
<b>Non-OECS CARICOM</b>	<b>538.4</b>	<b>477.9</b>	<b>513.0</b>	<b>611.9</b>	<b>716.5</b>	<b>935.3</b>	<b>998.2</b>	<b>1092.7</b>	<b>1164.2</b>	<b>1267.2</b>	<b>571.5</b>	<b>1091.5</b>
Bahamas	1.3	1.7	1.7	8.4	5.6	4.3	3.6	6.2	7.5	4.4	3.7	5.2
Barbados	68.6	70.7	67.2	72.4	65.1	92.6	108.4	105.5	111.3	94.8	68.8	102.5
Belize	8.5	8.9	6.2	4.9	5.0	5.6	4.8	7.4	12.3	117.5	6.7	29.5
Guyana	17.4	19.3	32.7	57.6	71.8	89.0	100.8	124.6	124.6	104.1	39.8	108.6
Haiti	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.2	0.0	0.1
Jamaica	76.1	68.3	66.1	65.2	61.8	61.3	55.8	67.2	52.9	52.2	67.5	57.9
Suriname	0.0	0.0	0.0	0.1	0.2	0.1	2.1	26.4	34.2	25.3	0.1	17.6
Trinidad/Tobago	366.6	309.1	339.1	403.3	507.0	682.4	722.6	755.4	821.3	868.8	385.0	770.1
<b>OECS</b>	<b>83.3</b>	<b>78.2</b>	<b>86.7</b>	<b>85.2</b>	<b>84.5</b>	<b>83.2</b>	<b>76.2</b>	<b>72.4</b>	<b>46.0</b>	<b>46.2</b>	<b>83.6</b>	<b>64.8</b>
Antigua/Barbuda	9.1	9.4	9.5	10.1	10.6	11.2	11.4	0.0	0.0		9.7	5.7
Dominica	15.3	14.9	17.3	18.3	23.5	19.1	23.9	26.7	0.0	34.1	17.9	20.8
Grenada	6.9	8.3	6.1	7.0	6.1	6.6	5.8	8.8	10.3		6.9	7.9
St. Kitts and Nevis	3.1	3.1	2.8	3.0	2.7	1.9	1.0	1.2	1.2		2.9	1.3
St. Lucia	20.9	17.8	18.9	20.5	14.3	17.0	10.3	9.4	10.2	12.1	18.5	11.8
St. Vin & Grenadines	28.0	24.8	32.1	26.3	27.4	27.3	23.7	26.4	24.3		27.7	25.4
<b>Non-CARICOM CDCC</b>	<b>523.8</b>	<b>408.6</b>	<b>373.4</b>	<b>316.3</b>	<b>276.1</b>	<b>306.4</b>	<b>363.7</b>	<b>533.1</b>	<b>47.6</b>	<b>51.9</b>	<b>379.7</b>	<b>260.5</b>
Cuba	107.0	36.0	29.0	29.0	38.0	64.3	95.1	204.1	0.0	..	47.8	90.9
Dominican Republic	9.8	8.6	6.4	13.3	11.1	25.1	27.6	33.8	47.6	51.9	9.9	37.2
Netherlands Antilles	407.0	364.0	338.0	274.0	227.0	217.0	241.0	295.2	0.0	..	322.0	188.3

Source: IDB Trade Database and CARICOM'S Trade Handbook 1980-1996

Table 2

## Value of intra-CDCC imports in (US\$ millions) (1990-1999)

	1990	1991	1992	1993	1994	Ave.90-94	1995	1996	1997	1998	1999	Ave.95-99	Ave.90-99
Antigua & Barbuda	34.4	26.9	...	15.3	16.6	23.3	16.8	17.1	...	...	...	16.9	21.5
Dominica	25.1	26.3	26.8	24.0	28.3	26.1	31.6	32.1	34.7	0.0	34.9	24.6	25.5
Grenada	25.7	27.7	0.0	41.4	33.9	25.8	35.3	40.9	46.7	56.9	...	45.0	33.4
St. Kitts	15.9	20.0	16.4	20.6	20.7	18.7	22.7	25.8	24.6	24.5	...	24.4	21.0
St. Lucia	48.7	51.1	57.8	58.7	63.9	56.0	68.3	68.5	70.8	70.5	77.9	69.5	61.4
St. Vincent	28.2	33.0	32.6	32.0	34.0	32.0	36.5	38.3	43.1	47.1	...	41.2	35.7
<b>OECS</b>	178.0	185.0	133.5	192.1	197.6	177.2	211.2	222.7	219.9	199.1	...	213.2	191.6
Bahamas	60.4	55.9	47.7	50.9	47.5	52.5	58.6	69.0	79.3	100.0	99.5	81.3	65.6
Barbados	99.5	95.1	94.0	101.5	108.4	99.7	112.1	116.1	154.2	190.0	200.8	154.7	124.7
Belize	10.2	3.7	4.7	16.2	18.8	10.7	17.3	6.7	31.1	28.7	33.8	23.5	16.5
Guyana	79.0	78.6	105.6	123.7	61.5	89.7	73.8	182.1	204.0	202.6	214.1	175.3	128.6
Haiti	10.7	7.7	0.3	1.5	0.4	4.1	9.5	8.5	69.4	59.8	63.9	42.2	21.4
Jamaica	82.6	68.0	55.6	102.8	44.2	70.6	49.9	296.8	459.0	324.8	343.1	294.7	172.5
Suriname	68.5	78.1	75.3	215.4	48.5	97.2	60.8	80.3	127.2	97.6	101.7	93.5	95.5
Trinidad & Tobago	69.5	68.7	63.5	45.6	2.1	49.9	3.6	72.6	111.3	119.8	124.2	86.3	66.4
<b>CARICOM</b>	480.4	455.9	446.8	657.5	331.4	474.4	385.6	832.0	1235.5	1123.3	1181.1	951.5	691.3
Cuba	107.0	36.0	29.0	29.0	38.0	47.8	64.3	95.1	204.1	71.8	75.9	102.2	72.5
Dominican Rep	89.0	93.0	148.0	109.0	21.0	92.0	40.0	31.0	32.0	62.0	69.4	46.9	71.5
Nether. Antilles	36.0	20.0	71.0	60.0	81.0	53.6	135.0	141.0	155.0	57.1	59.5	109.5	79.0
Non-CARICOM	232	149	248	198	140	193.4	239.3	267.1	391.1	190.9	204.8	258.6	223.0
<b>CDCC</b>	<b>890.4</b>	<b>789.8</b>	<b>828.4</b>	<b>1047.5</b>	<b>668.9</b>	<b>845.0</b>	<b>836.1</b>	<b>1321.8</b>	<b>1846.5</b>	<b>1513.2</b>	<b>1385.9</b>	<b>1380.7</b>	<b>1088.5</b>

Source: IDB Trade Database and CARICOM'S Trade Handbook 1980-1996

**Table 3**  
**Value of intra-CARICOM exports and as percentage of its total to the CDCC**  
**and the world for selected years in (US\$ millions)**

Exports by	1990			1995			1999		
	CARICOM	% CDCC	World	CARICOM	% CDCC	% World	CARICOM	% CDCC	% World
<b>CARICOM</b>	<b>561.7</b>	<b>90.4</b>	<b>10.8</b>	<b>876.6</b>	<b>86.1</b>	<b>9.1</b>	n.a.	n.a.	n.a.
<b>Non-OECS CARICOM</b>	<b>480.3</b>	<b>89.2</b>	<b>9.9</b>	<b>793.3</b>	<b>84.8</b>	<b>12.7</b>	<b>989.8</b>	<b>79.7</b>	<b>15.9</b>
Bahamas	1.3	100.0	0.1	4.3	100.0	0.7	3.7	83.1	0.5
Barbados	66.6	97.2	31.8	90.7	98.0	37.6	113.5	96.6	35.7
Belize	8.5	100.0	6.5	5.5	99.5	3.4	11.9	10.1	...
Guyana	15.6	89.6	6.7	26.9	30.2	5.3	61.9	59.5	10.5
Haiti	...	...	...	...	...	...	0.1	...	0.0
Jamaica	75.2	98.8	6.6	61.3	100.0	3.4	49.0	93.9	3.3
Suriname	...	...	...	0.1	100.0	0.0	17.3	...	...
T&T	313.1	85.4	15.8	604.5	88.6	24.6	732.4	84.3	26.2
<b>OECS</b>	<b>81.5</b>	<b>97.8</b>	<b>23.2</b>	<b>83.3</b>	<b>100.0</b>	<b>21.8</b>	n.a.	n.a.	n.a.
Antigua/Bar	8.9	98.0	27.8	11.2	100.0	24.9	n.a.	n.a.	n.a.
Dominica	13.6	89.0	24.7	19.1	100.0	21.9	34.1	n.a.	n.a.
Grenada	6.9	100.0	26.3	6.6	100.0	24.6	n.a.	n.a.	n.a.
St.	3.1	100.0	11.2	2.0	99.1	5.1	n.a.	n.a.	n.a.
Kitts/Nevis									
St. Lucia	20.9	100.0	16.5	17.0	100.0	13.6	12.1	n.a.	n.a.
St. Vin & G	28.0	100.0	33.9	27.3	100.0	46.1	n.a.	n.a.	n.a.

Source: IDB Trade Database and CARICOM'S Trade Handbook 1980-1996

**Table 4**  
**Value of intra-CARICOM imports by country**  
**(in millions and as a percentage of CARICOM's total imports)**

<b>CARICOM Countries</b>	<b>1990</b>	<b>% of Total</b>	<b>1995</b>	<b>% of Total</b>	<b>1999</b>	<b>% of Total</b>
<b>CARICOM</b>	<b>559.4</b>		<b>735.6</b>		<b>947.9</b>	
<b>Non-OECS</b>	<b>381.3</b>		<b>524.5</b>		<b>838.1</b>	
<b>CARICOM</b>						
Antigua & Barbuda	34.4	6.1	16.8	2.3	....	....
Dominica	25.1	4.5	31.6	4.3	33.1	3.5
Grenada	25.8	4.6	35.3	4.8	....	....
St. Kitts-Nevis	15.9	2.8	22.7	3.1	....	....
St. Lucia	48.7	8.7	68.3	9.3	76.7	8.1
St. Vincent & Grenadines	28.2	5.1	36.5	5.0	....	....
<b>OECS</b>	<b>178.1</b>	<b>31.8</b>	<b>211.2</b>	<b>28.7</b>	<b>109.8</b>	<b>11.6</b>
Bahamas	1.3	0.2	1.9	0.3	8.5	0.9
Barbados	104.1	18.6	121.2	16.5	182.8	19.3
Belize	13	2.3	12.8	1.7	11.4	1.2
Guyana	36.7	6.6	17.9	2.4	115.8	12.2
Haiti	10.5	1.9	9.5	1.3	9.9	1.0
Jamaica	86.4	15.4	257.3	35.0	328.7	34.7
Suriname	42.4	7.6	45.3	6.2	68.7	7.3
Trinidad & Tobago	86.9	15.5	58.7	8.0	112.3	11.9

Source: CARICOM Secretariat and IDB Database

*Notes:* ...Data not available

**Table 5**  
**Average and Total average values of OECS exports by country of origin**

<b>1990-1994</b>							
<b>Exports by</b>	<b>Av. OECS</b>	<b>Antigua/ Barbuda</b>	<b>Dominica</b>	<b>Grenada</b>	<b>St. Kitts/Nevis</b>	<b>St. Lucia</b>	<b>St. Vinc/Gren</b>
<b>OECS</b>	<b>43.3</b>	<b>7.8</b>	<b>11.2</b>	<b>4.1</b>	<b>4.9</b>	<b>12.0</b>	<b>3.2</b>
Antigua/ Barbuda	<b>5.0</b>		1.9	0.3	1.3	1.3	0.3
Dominica	<b>6.4</b>	1.8		0.8	0.8	2.1	0.8
Grenada	<b>3.7</b>	0.5	0.7		0.3	1.6	0.6
St. Kitts/Nevis	<b>2.0</b>	0.7	0.5	0.3		0.4	0.2
St. Lucia	<b>10.3</b>	1.6	5.4	1.4	0.7		1.3
St. Vinc/Gren	<b>15.8</b>	3.2	2.8	1.4	1.9	6.6	
<b>1995-1998</b>							
<b>Exports by</b>	<b>Av. OECS</b>	<b>Antigua/ Barbuda</b>	<b>Dominica</b>	<b>Grenada</b>	<b>St. Kitts/Nevis</b>	<b>St. Lucia</b>	<b>St. Vinc/Gren</b>
<b>OECS</b>	<b>39.9</b>	<b>8.1</b>	<b>8.6</b>	<b>3.5</b>	<b>4.8</b>	<b>12.8</b>	<b>2.2</b>
Antigua/ Barbuda	<b>5.8</b>		2.1	0.3	1.3	1.9	0.3
Dominica	<b>7.0</b>	2.5		0.5	1.0	2.3	0.7
Grenada	<b>4.8</b>	0.6	1.1		0.1	2.4	0.6
St. Kitts/Nevis	<b>1.1</b>	0.2	0.5	0.1		0.2	0.1
St. Lucia	<b>5.9</b>	1.1	2.9	1.0	0.4		0.6
St. Vinc/Gren	<b>15.2</b>	3.7	2.1	1.6	1.9	6.0	

Source: CARICOM Secretariat and IDB Database

**Table 6**  
**Average value of intra-OECS imports (US\$ millions)**

1990-1994							
Imports by	Antigua/Barb	Dominica	Grenada	St. Kitts/ Nevis	St. Lucia	St. Vinc./ Gren.	OECS
<b>OECS</b>	<b>3.6</b>	<b>4.5</b>	<b>3.6</b>	<b>1.7</b>	<b>8.2</b>	<b>13.8</b>	<b>35.4</b>
Antigua & Barbuda		0.4	0.3	0.4	1.0	1.0	3.0
Dominica	0.8		0.7	0.5	4.2	2.8	9.0
Grenada	0.2	0.8		0.2	1.2	1.3	3.8
St. Kitts-Nevis	0.9	0.6	0.4		0.6	1.8	4.2
St. Lucia	1.5	1.8	1.8	0.5		6.9	12.5
St. Vincent & Gren.	0.3	0.9	0.5	0.1	1.1		2.9
1995-1999							
Imports by	Antigua/Barb	Dominica	Grenada	St. Kitts/ Nevis	St. Lucia	St. Vinc./ Gren.	OECS
<b>OECS</b>	<b>3.0</b>	<b>5.1</b>	<b>4.6</b>	<b>1.3</b>	<b>6.3</b>	<b>12.4</b>	<b>32.7</b>
Antigua & Barbuda		0.3	0.4	0.7	0.4	0.5	1.7
Dominica	0.7		1.1	0.6	3.5	2.6	8.5
Grenada	0.3	0.5		0.1	0.9	1.1	2.9
St. Kitts-Nevis	1.0	0.7	0.2		0.5	2.0	4.3
St. Lucia	0.6	2.5	2.4	0.3		6.3	12.1
St. Vincent & Gren.	0.4	1.1	0.5	0.2	1.1		3.2

Source: CARICOM Secretariat

Notes: Average for the OECS with the exception of Dominica and St. Lucia is for 1995-1998



Table 7

Average value of OECS exports to the rest of CARICOM by country (US\$ millions)

1990-1994									
Exports	Total	Bahamas	Barbados	Belize	Guyana	Jamaica	Haiti	Suriname	T&T
<b>OECS</b>	<b>40.7</b>	<b>0.1</b>	<b>11.1</b>	<b>0.3</b>	<b>3.4</b>	<b>9.3</b>	<b>1.0</b>	<b>0.0</b>	<b>15.4</b>
Antigua	5.0		2.3	0.0	0.6	0.7			1.4
Dominica	11.4	0.0	1.5	0.1	1.9	6.3			1.7
Grenada	3.2		1.1		0.2	0.2	0.0		1.7
St. Kitts/Nevis	1.0		0.3	0.0	0.1	0.0			0.6
St. Lucia	8.2	0.0	3.3	0.2	0.3	2.2			2.1
St. Vin & G	11.9	0.0	2.5	0.0	0.4		1.0		7.9
1995-1998									
Exports by	Av. OECS	Bahamas	Barbados	Belize	Guyana	Jamaica	Haiti	Suriname	T&T
<b>OECS</b>	<b>41.4</b>	<b>0.2</b>	<b>12.0</b>	<b>0.2</b>	<b>4.5</b>	<b>9.1</b>	<b>2.3</b>	<b>0.0</b>	<b>13.2</b>
Antigua	5.8	...	2.6	...	0.5	...	0.6	...	2.0
Dominica	16.2	0.1	2.0	0.1	2.6	9.1			2.3
Grenada	3.1	0.0	1.7	0.0	0.2	0.0	0.4	0.0	0.8
St. K & N	0.3	0.0	0.1	0.0	0.1	...	0.0	...	0.1
St. Lucia	5.9	0.0	2.2	0.1	0.4	...	0.1	...	2.9
St. V & G	10.2	0.0	3.3	0.0	0.5	...	1.2	...	5.1

Source: CARICOM Secretariat and IDB Database

**Table 8**  
**Average Value of OECS imports from the non-OECS CARICOM (1990-94)**  
**(US\$ Millions)**

1990-1994									
	Bahamas	Barbados	Belize	Guyana	Haiti	Jamaica	Suriname	Trinidad & Tob.	Total
OECS	0.9	26.9	0.3	5.1	...	13.6	...	102.5	149.3
Antigua & Bar.	0.0	3.2	0.0	0.7	...	2.1	...	9.9	15.9
Dominica	0.0	3.4	0.1	0.5	...	1.9	...	11.3	17.1
Grenada	0.8	3.7	0.0	0.9	...	1.8	...	21.9	29.2
St. Kitts-Nevis	0.0	3.1	0.0	0.2	...	1.6	...	9.5	14.5
St. Lucia	0.0	8.3	0.1	1.8	...	4.1	...	29.2	43.5
St. Vincent & Gren.	0.0	5.2	0.1	1.0	...	2.1	...	20.8	29.1
1995-1999									
	Bahamas	Barbados	Belize	Guyana	Haiti	Jamaica	Suriname	Trinidad & Tob.	Total
OECS	0.6	34.5	0.3	8.5	0.0	12.3	0.0	146.0	202.3
Antigua & Bar	0.0	4.0	0.0	1.1	...	2.3	...	11.3	18.8
Dominica	0.0	4.9	0.1	1.0	...	1.9	0.0	16.6	24.4
Grenada	0.0	4.5	0.0	1.6	...	1.2	...	34.8	42.1
St. Kitts-Nevis	0.0	3.5	0.0	0.6	...	1.7	...	14.3	20.1
St. Lucia	0.0	10.7	0.0	2.7	...	3.6	0.0	41.8	58.8
St. Vincent & Gren.	0.5	7.0	0.2	1.6	...	1.6	...	27.2	38.1

Source: CARICOM Secretariat

Average for OECS with exception of Dominica and St. Lucia is for 1995-98.

... means data not available

**Table 9**  
**Average value of intra non-OECS CARICOM exports classified by country**

1990-1994									
Exports by	Total Average	Bahamas	Barbados	Belize	Guyana	Haiti	Jamaica	Suriname	T&T
<b>Non-OECS CARICOM</b>	<b>348.3</b>	<b>7.3</b>	<b>91.3</b>	<b>9.3</b>	<b>53.1</b>	<b>7.2</b>	<b>82.8</b>	<b>52.4</b>	<b>53.9</b>
Bahamas			0.2	0.0	..	1.0	0.0	7.6	0.1
Barbados	<b>35.9</b>	0.8		1.2	3.1	0.3	10.3	0.1	20.1
Belize	<b>7.1</b>	0.0	1.0		0.0	2.4	0.9	..	2.8
Guyana	<b>16.6</b>	0.1	5.3				4.3	2.5	4.6
Jamaica	<b>53.7</b>	0.6	13.7	4.9	4.6	0.9		2.7	26.3
Haiti	<b>0.0</b>	..	..	..	..	..	..	..	..
Suriname	<b>0.1</b>		0.1			0.0			
T&T	<b>234.9</b>	5.7	71.1	3.2	45.4	2.6	67.3	39.5	
1995-1999									
Exports by	Total Average	Bahamas	Barbados	Belize	Guyana	Haiti	Jamaica	Suriname	T&T
<b>Non-OECS CARICOM</b>	<b>681.4</b>	<b>7.4</b>	<b>125.7</b>	<b>10.8</b>	<b>107.2</b>	<b>37.5</b>	<b>251.0</b>	<b>75.0</b>	<b>66.9</b>
Bahamas	12.1		0.1	0.7	..	4.3	1.5	2.2	3.3
Barbados	<b>56.9</b>	1.5		1.8	8.6	19.5	0.5	3.7	21.3
Belize	8.2	0.2	0.8		0.7	3.6	0.1	..	2.9
Guyana	<b>38.3</b>	0.1	8.8	0.1	0.0	0.0	15.4	3.2	10.7
Jamaica	<b>43.7</b>	1.6	10.6	3.5	5.4	1.3	1.5	1.9	18.1
Haiti	<b>0.0</b>	0.0	0.0	0.0	..	0.0	..	0.0	
Suriname	17.6	0.1	0.7	..	3.7	2.2	0.3	..	10.6
T&T	<b>504.6</b>	3.9	104.7	4.7	88.9	6.5	231.8	64.0	..

Source: CARICOM Secretariat and IDB Database

Table 10

## Average value of intra non-OECS CARICOM imports by country (1990-1994)

1990-1994									
Import by	Bahamas	Barbados	Belize	Guyana	Haiti	Jamaica	Suriname	Trin & Tob.	Total
Non-OECS CAR	2.2	37.1	7.6	20.0	0.4	54.2	4.7	260.6	386.8
Bahamas		0.9	0.0	...	0.0	...	...	...	1.0
Barbados	0.0	...	1.2	5.9	0.0	16.0	0.1	73.6	96.7
Belize	0.0	1.6		0.0	0.0	5.4	...	3.1	10.1
Guyana	...	3.2	0.1	...	...	3.2	0.1	35.7	42.2
Haiti	0.0	0.3	...	...	...	...	0.1	3.6	3.9
Jamaica	0.1	11.3	2.7	7.9	0.0		0.1	66.0	88.1
Suriname	2.1	0.2	0.0	....	0.3	...		78.6	81.2
Trinidad & Tob.	0.0	19.6	3.6	6.2	0.0	29.6	...	...	63.5
1995-1998									
Import by	Bahamas	Barbados	Belize	Guyana	Haiti	Jamaica	Suriname	Trin & Tob.	Total
Non-OECS CAR	2.8	60.2	11.1	41.7	0.3	45.7	33.9	516.7	712.3
Bahamas	...	1.7	0.6	0.1	0.0	2.4	1.8	3.6	10.1
Barbados	0.0	...	...	9.7	0.1	12.3	0.6	109.5	133.0
Belize	0.7	2.0	...	0.1	0.0	3.8	0.0	4.9	11.6
Guyana	...	9.1	1.2	...	...	5.2	2.9	93.6	112.0
Haiti	0.4	0.6	...	...	...	1.3	0.9	7.4	10.5
Jamaica	0.3	21.4	4.1	16.9	0.1	...	4.4	237.5	284.8
Suriname	0.5	3.7	0.6	3.3	...	1.3	...	60.2	69.5
Trinidad & Tob.	0.9	21.7	3.8	11.7	0.1	19.4	23.2	...	80.8

Source: Data from IDB Database and CARICOM Secretariat

Notes. ... Data not Available

Table 11

## Average value of CARICOM exports to the non-CARICOM CDCC countries

1990-1994					
Exports by	Total Average	Aruba	Cuba	Dom Rep	Neth Ant
<b>CARICOM</b>	<b>58.2</b>	<b>3.7</b>	<b>16.4</b>	<b>24.9</b>	<b>13.2</b>
				<b>1990-94</b>	
Bahamas	1.6	1.6	..		..
Barbados	1.5	0.2			1.3
Belize	0.1			0.1	
Guyana	14.2		2.3		11.9
Jamaica	1.3			1.3	
Haiti	0.0	0.0			..
Suriname	0.0				..
T&T	39.6	1.9	14.1	23.6	
1995-1999					
Exports by	Total Average	Aruba	Cuba	Dom Rep	Neth Ant
<b>CARICOM</b>	<b>201.5</b>	<b>5.6</b>	<b>26.0</b>	<b>56.2</b>	<b>113.8</b>
Bahamas	1.5	1.3	..	..	0.2
Barbados	4.0	1.1		0.2	2.6
Belize	0.1	0.1		0.1	
Guyana	58.0		4.6		53.4
Jamaica	5.9	0.3	0.6	4.1	0.9
Haiti	0.0	0.0			
Suriname	10.6	0.1	0.1	0.0	10.3
T&T	121.4	2.7	20.6	51.8	46.3

Source: CARICOM Secretariat and IDB Database

**Table 12**  
**Average Value of CARICOM imports from**  
**non-CARICOM CDCC countries**

1990-1994				
Import by	Cuba	Dom. Rep	Nether. Ant.	Total
CARICOM	7.3	6.7	117.6	131.6
Bahamas	....	....	52.3	52.3
Barbados	0.1	....	19.7	19.8
Belize	0.0	0.1	....	0.1
Guyana	7.2	....	45.6	52.8
Haiti	....	....	....	0
Jamaica	0	2.7	....	2.7
Suriname	0	2.1	....	2.1
Trinidad & Tobago	0.0	1.8	....	1.9
1995-1999				
Import by	Cuba	Dom. Rep	Nether. Ant.	Total
CARICOM	23.6	52.5	210.6	286.8
Bahamas			72.1	72.1
Barbados	0.1	5.2	7.3	12.6
Belize	8.4	0.1	4.4	12.9
Guyana	14.43	....	72.9	87.4
Haiti	....	37.7	7.2	44.9
Jamaica	0.6	4.7	18.5	23.7
Suriname	0.1	0.4	25.3	25.8
Trinidad & Tobago	0.1	4.5	2.9	7.4

Source: IDB Database and CARICOM Secretariat

Notes: Data not available

**Table 13****Average Value of intra-non-CARICOM CDCC imports in US\$ millions**

<b>1990-1994</b>				
<b>Import by</b>	<b>Cuba</b>	<b>Dominican Rep</b>	<b>Nether. Antilles</b>	<b>Total</b>
Cuba	...	<b>5.5</b>	<b>96.2</b>	<b>101.7</b>
Dominican Rep.	...	1	29.6	<b>30.6</b>
Netherlands	...	...	66.6	<b>66.6</b>
Antilles	...	4.5		<b>4.5</b>
<b>1995-1999</b>				
<b>Import by</b>	<b>Cuba</b>	<b>Dominican Rep</b>	<b>Nether. Antilles</b>	<b>Total</b>
	<b>0.1</b>	...	<b>55.37</b>	<b>55.47</b>
Cuba		...	55.37	<b>55.37</b>
Dominican Rep.	...	...	...	...
Netherlands	<b>0.1</b>	...		<b>0.1</b>
Antilles				

Source: IDB Database and IMF, Direction of Trade Statistics, June 2000

Notes: ... Data not available





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