



# INSTITUTIONAL SUPPORT:

*THE ROLE OF NATIONAL COALITIONS IN THE DEVELOPMENT  
OF THE SERVICES SECTOR – A CARIBBEAN PERSPECTIVE*

Michelle Hustler – Project Manager, Barbados Coalition of Service Industries

# Context

## The Caribbean



## East Coast Barbados (home)





## Services: The Growth Engine

‘Services constitute two-thirds of the world economy and the fastest growing component of world trade. They are core drivers of economic growth, employment and development in every part of the world.’

# What are Coalitions?

The organization of stakeholders related to the service sector who want to accomplish things which they cannot, on their own.

May have diverse sub-sectoral interests, but common, industry-wide objectives.



# Why Coalitions?

## **COORDINATION – COOPERATION – COLLABORATION**

- ❑ Umbrella body for diverse, fragmented sector – ears and the voice
- ❑ Organization and strengthening of sectoral focal points
- ❑ Collection and dissemination of information
- ❑ Fostering networking, partnering, international trade
- ❑ Contributing in the generation of foreign exchange

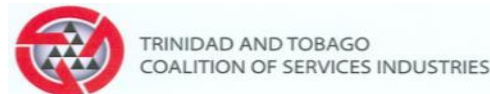
# International Coalition Background – USCSI Example

- Established in 1982 – Uruguay Round
  - Primarily an advocacy organization
  - “Expanding the multilateral trading environment to include more countries and more services, enhancing bilateral services trading relationships, and ensuring competitive services trade in the global marketplace”
  - Membership: American Insurance Associations, AT&T, Citigroup, FedEx, Deloitte and Touche, GE Oil and Gas
  - Full Membership - \$20,000.00 USD
- Working Groups and Committees:
    - China Working Group - Doug Bennett, Liberty Mutual
    - Financial Services Committee - Laura Lane, Citigroup
    - Steering Committee – Susan Greenwell, MetLife
    - Strategy Committee - Dorothy Dwoskin, Microsoft
    - Insurance Committee Yancy Molnar, ACE INA
    - India Working Group - Rick Rossow, New York Life
    - Telecoms, IT and Media Working Group - Jackie Ruff, Verizon

# Global Services Coalition and Others

Informal, private sector led, international forum:

- Australian Services Roundtable, Barbados Services Coalition, Canadian Services Coalition, European Services Forum, CSI (US), Hong Kong Coalition of Services Industries, Jamaican Coalition of Services Industries, Japan Services Network, NASSCOM, Taiwan Coalition of Services Industries, International Financial Services London



# Global Services Coalition Media Release – 14/10/09

## EXERPT

### **“Global services businesses call for positive action on trade to create jobs, growth and development”**

An unprecedented gathering of over 400 services business, government and other leaders from all over the world took place in Washington over the last two days, with six Trade Ministers, from the United States, European Commission, Australia, India, Columbia and Panama, as well as the Chairman of the House Ways and Means Committee and the Director-General of the WTO.

All agreed on the importance of fighting protectionism and allowing trade to bring a multiplier effect to the emerging economic recovery. All agreed that services are fundamental enablers of economy-wide productivity and drivers of economic growth, employment and development. The time has come to recognize this interconnectedness and to refocus the global trade agenda so that new job opportunities in services can provide the necessary platform for sustained economic expansion.

We call on our governments to draw on the energy of the G20 to overcome difficulties and speed progress in the WTO. G20 Leaders provided a forceful lead in Pittsburgh in September, recognizing that ambitious and balanced completion of the Doha Development Agenda, during 2010 at the latest, is an essential prerequisite in underpinning and sustaining any significant revival of world trade. We urge our governments to reengage with a commensurate sense of urgency exploring all options to boost confidence and move forward together on all three market access pillars towards a settlement that will achieve positive growth in world trade...

# Coalition Background

- 1997 – Caribbean Coalition idea proposed at a CARICOM/UNDP Regional Workshop on Trade in Services
- 1999 – CEDA commissioned paper, *Towards a Caribbean Coalition of Services Industries*, by Henry Gill
- 2001 – COTED agrees to regional services sector development plan which includes the establishment of National Coalitions
- 2002 – Barbados Coalition of Service Industries launched

## FULLY OPERATIONAL:

Barbados  
Trinidad and Tobago  
Saint Lucia Coalition

## LAUNCHED:

Belize  
Dominica  
Grenada  
Guyana  
St. Kitts and Nevis  
St. Vincent and the Grenadines  
Suriname

# BCSI Background

CARICOM movement +  
Private Sector FTAA response +  
Declining agriculture and  
manufacturing sectors +  
Urgency to improve economic  
security +  
Need for value added jobs +  
Large, educated workforce +  
Increase foreign exchange earnings

= **Barbados Coalition of Service  
Industries**



A Perfect Storm

# CARICOM Objectives

- To provide the service providers with knowledge of export opportunities;
- To organise trade missions to identify and exploit market opportunities;
- To encourage service providers to engage in developing export programmes and promotional activities through collaboration locally, regionally, and internationally;
- To promote the further development and competitiveness of the services sector;
- To ensure that the highest industry standards are met by all service providers;
- To educate the service providers on relevant aspects of the CARICOM Single Market and Economy (CSME), Free Trade of the Americas (FTAA), the Economic Partnership Agreements (EPAs) of the EU-ACP, the World Trade Organisation's General Agreement on Trade in Services (GATS) and any other trade agreements or developments that can affect trade in services;
- To educate service providers on relevant government policies that can assist or hinder the export of services;
- To represent the interests of the services sector, including lobbying government and promoting fair multi-lateral rules for trade in services;
- To promote the organisation of non-organised service providers into associations;
- To advise government on market conditions/trends with a view to implement/relax policies to facilitate the growth of local practitioners;
- To encourage strategic alliances/partnerships with regional and extra-regional counterparts;
- To ensure that factors such as population, GDP, size of country and educational resources are contemplated during the implementation of any trade agreement.

# BCSI Objectives

To foster the  
international  
competitiveness of the  
Barbados' services  
sector

- To promote the further development of and competitiveness of Barbados' service sector;
- To encourage service providers to adopt the highest international standards;
- To educate Barbados service providers on relevant aspects of trade agreements and on any government policies or issues which can affect trade in services;
- To represent the interests of Barbadian service providers by lobbying government for legislative and policy changes which will promote fair multinational rules for trade in services;
- To provide Barbadian service providers with knowledge of export opportunities and to promote export activities



## A Developed Services Sector is Exporting

A developed services sector is informed, organized, supported, contributory, competitive and most of all, exporting efficiently and effectively.

# BCSI – Export Strategy



# What We Do



The Newsletter of the **BCSI**

## EDUCATION

*Ensuring Education*

## EXPORT PROMOTION

*Exporting Excellence*



## SECEP

Service Exporters Certificate  
of Excellence Program

**BCSI**

## DEVELOPMENT

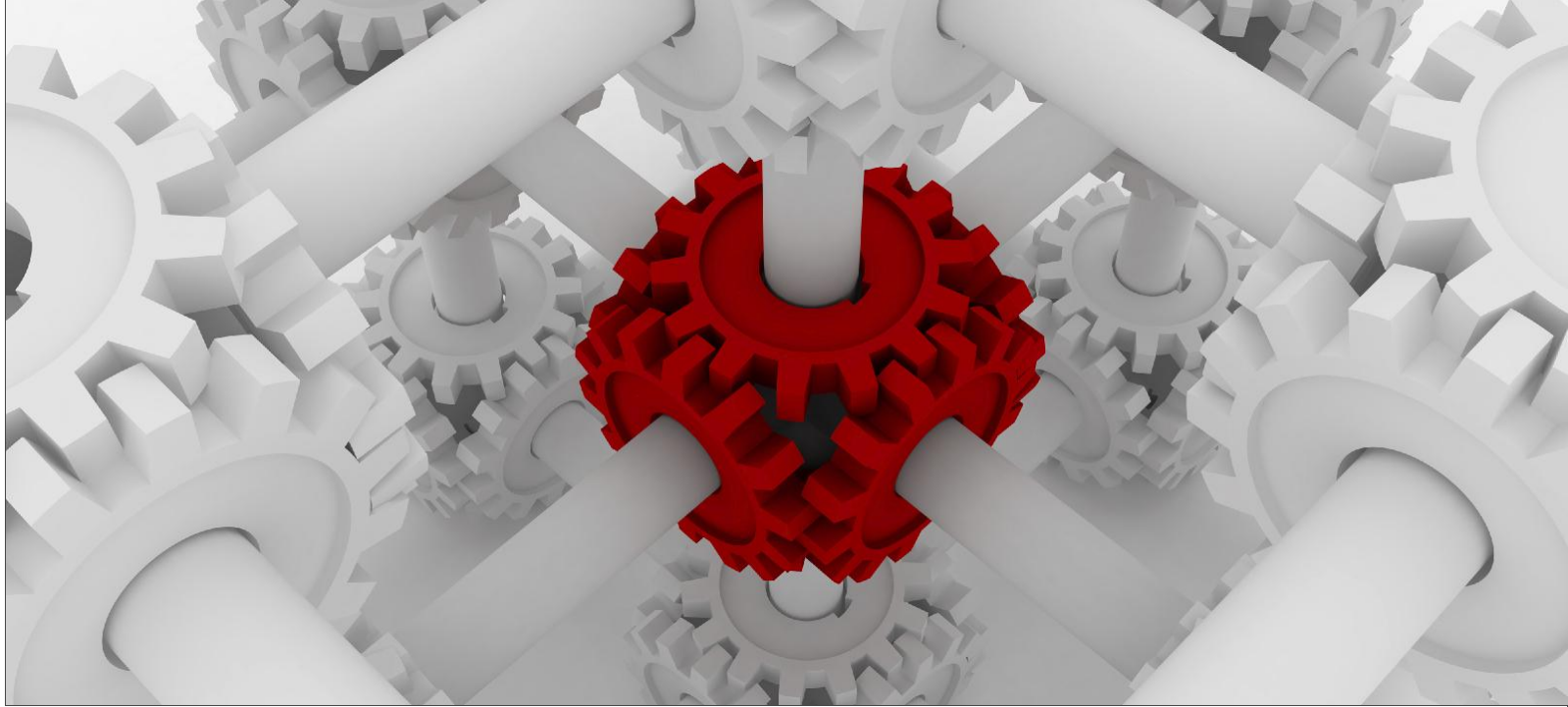
*Building Businesses*

## LOBBYING & ADVOCACY

*Supporting Services*

# SUMMARY – Role of the BCSI

- **EDUCATION or AWARENESS BUILDING** – Raising the awareness of the importance of the services sector, educating the private sector and the governments on trade in services issues
- **DEVELOPMENT - INSTITUTIONAL** – Organizing the services sector through the establishment of service associations, strengthening existing associations to serve as meaningful focal points for the sector
- **DEVELOPMENT – SECTORAL** – Increasing the capacity of service providers to export through sector development initiatives, encouraging the adoption of the highest international standards
- **DEVELOPMENT – PRIVATE SECTOR** – Equipping service providers with the skills to increase their competitiveness nationally and internationally
- **LOBBYING AND ADVOCACY** – Representing the interests of the services sector, promoting a ‘services-first’ approach by governments, encouraging the adoption of fair multilateral rules for trade in services, contributing the negotiation processes, collection and dissemination of information
- **EXPORT PROMOTION** – Identifying export opportunities, organizing trade missions/shows, encouraging associations to adopt export-focused programmes, facilitating trade initiatives (inbound/outbound), networking initiatives

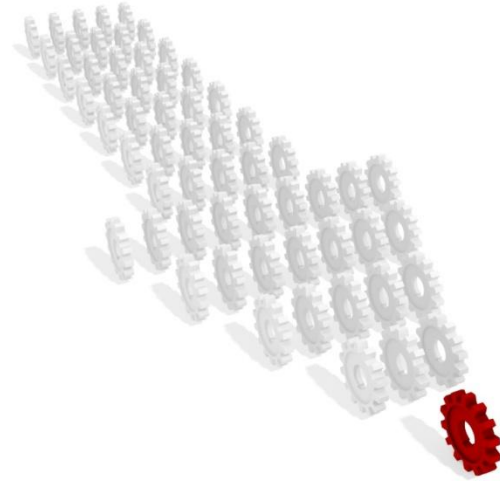


## A Developed Services Sector is the Responsibility of Many

A national services coalition requires the support of many in the development of the services sector.

# Developing the Services Sector - Responsibilities

- ❑ Coalitions
- ❑ Professional Associations
- ❑ Government
- ❑ Private Sector
- ❑ Educational Institutions
- ❑ Lending Institutions
- ❑ Other BSOs



According to a 2007 International Labor Organization report, more individuals are employed in the services sector than either agriculture or industry

# Developing the Services Sector - Challenges

- ❑ Capturing Services Statistics
- ❑ Financing Services Companies
- ❑ Transportation
- ❑ Intellectual Property Rights
- ❑ ICT Infrastructure
- ❑ Trade Facilitation
- ❑ Private Sector Perception



In 2008, Commercial Services exports totaled \$3.78 trillion, or 24.3% of total world exports

# Establishing a Coalition

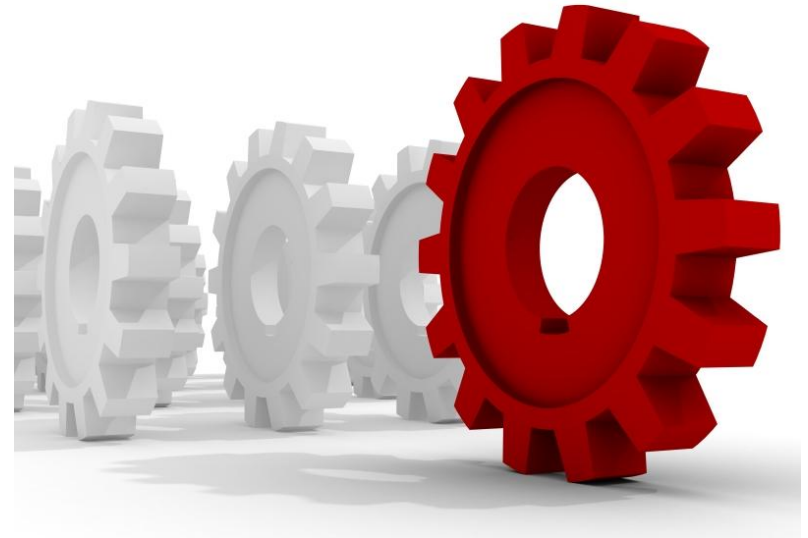
1. CHAMPION
2. PRIVATE SECTOR SUPPORT
3. PUBLIC SECTOR SUPPORT
4. SECTOR ASSESMENT

“Barbados, if it is to integrate into, and survive in the new global economic system, needs to provide a certain level of support to its fledging industries and sectors. We must recognise that small countries, like ours, are being required to liberalise their trade regime within a considerably shorter period of time, as compared with the decades which large developed countries were afforded.”

*The Hon. Christopher Sinckler at the Barbados World Trade Organization Trade Policy Review in Geneva, Switzerland on September 17, 2008*

# Financing a Coalition

- BCSI (Public Support)
- USCSI (Private Support)
- Business Model\*



Services accounted for 69% of GDP worldwide in 2006

Trade Mission to Curacao

Global Services Summit

Barbados Expo New York

# BCSI Successes

Increase in Professional Fees - Lobbying

Trade Mission to Guyana

Member Barbados Private Sector Association

Regional Coalition Support

Regional Coalition Meetings

Member of Global Services Coalition

Trade Mission Belize

Trade Mission to the Bahamas

Association Formation

Barriers to Trade Database

Established Global Network

Procurement Workshops

Learning Pieces Trade Mission to St. Vincent

CARICOM-China Trade Fair

SECEP Programme

Barbados Expo London

Flying Fish Newsletter

Brochures

AISU

Newsletters

BMEX

Focus Groups

UK Caribbean Business Forum

Trade Mission to Suriname

Website

Successful Services Exporting Workshop

Trade Mission to the UK

Procurement Opportunities

CARICOM-DR Business Forum

Trade Mission to St. Lucia

Miami CCAA

Capacity Building Workshops

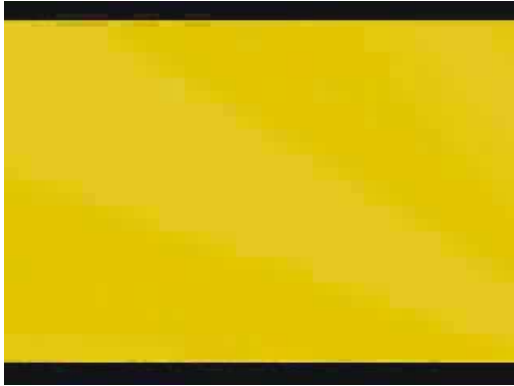
CARICOM-India Trade Fair

Trade Mission to Martinique

Trade Mission to Dominican Republic

# Happy Endings...

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Raising Awareness

Generating Possibilities

**RESULTS!**



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