

CARIBBEAN EXPORT DEVELOPMENT AGENCY

Effective Promotion of Investment Opportunities Within CARIFORUM

*A Regional Investment Promotion Strategy
And Implementation Plan*

Strategy Report

September 29, 2014.

Consultoria Integral Financiera CIF, SRL

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Abbreviations

BoP	Base of the Pyramid
BPO	Business Processing Office
CAIPA	Caribbean Association of Investment Promotion Agencies
CARICOM	The Caribbean Community
CARIFORUM	Forum of the Caribbean Group of African, Caribbean and Pacific States
CARG	Compound Annual Rate of Growth
CC	Compete Caribbean
CGF	Caribbean Growth Forum
CIPS	Caribbean Investment Promotion Service
CEDA	Caribbean Export Development Agency
CRM	Customer Relationship Management
DDIP	Diaspora Direct Investment Program
ECIPS	Eastern Caribbean Investment Promotion Service
ECLA	Economic Commission for Latin America and the Caribbean
EDF	European Development Fund
EDO	Economic Development Organizations
EU	European Union
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
IDB	Inter-American Development Bank
IC	Investment Climate
ICT	Information, Communications and Technology
IPA	Investment Promotion Agency
KM	Knowledge Management
MIF	Multilateral Investment Fund
MDB	Multilateral Development Banks
OECS	Organization of Eastern Caribbean States
RIPS	Regional Investment Promotion Strategy
RPSDP	Regional Private Sector Development Programme
SME	Small and Medium Enterprise
SWOT	Strengths, Opportunities, Weaknesses and Threats
UNCTAD	United Nations Conference on Trade and Development
VMCV	Virtual Marketing Content Vortex

I. EXECUTIVE SUMMARY

As part of its investment promotion responsibilities, Caribbean Export, under the European Development Fund (EDF)/Regional Private Sector Development Programme (RPSDP) retained the consulting firm Consultoria Integral Financiera CIF, SRL to design a Regional Investment Promotion Strategy (RIPS) that includes an Implementation Plan and Budget for the effective promotion of investment opportunities within CARIFORUM. The study was conducted under the guidance and supervision of the RIPS Committee. This report describes: (i) each of the components of RIPS and its main activities; (ii) the communications strategy; (iii) the implementation plan; and (iv) the budget.

One of the main questions that CARIFORUM countries need to ask themselves is: *Can the CARIFORUM region expect more FDI by doing the same things it has been doing in the recent past?* Looking at recent FDI flows to the region, one can see that the CARIFORUM region needs to implement an effective strategy to position the region as an attractive investment destination and increase the quantity and quality of FDI flows into the region.

FDI flows into the Caribbean are declining with some CARIFORUM countries showing a negative Compound Annual Rate of Growth (CARG). With the exception of the financial offshore destinations in the region and some natural resources seeking investments, FDI flows into the Caribbean region have been unable to recover the pre-2008 world financial crisis levels. It is also important to mention that the FDI flows the region has captured in the last decades haven't fueled inclusive and sustainable economic development; hence the importance of capturing different and more challenging types of investment.

In this context, RIPS is not only an opportunity to increase FDI attraction in the region but also a need, if member countries of CARIFORUM want to overcome the economic development challenges they face.

RIPS will be developed through two components: Proactive Promotion, and Regional Investment Climate. It will have a communications strategy that will support positioning of the region as an attractive investment destination.

The proactive promotion component will be developed through three sub-components:

1. Sector-based proactive promotion that will focus basically on investor targeting in four sectors, namely: - Alternative Energies, - Business Processing Office (BPO) and Information, Communications and technology (ICT), - Tourism and Health and Wellness;

2. Impact investors who will target investment funds, social investors and Multilateral Development Banks (MDB) interested in sectors such as alternative energy, agricultural development, infrastructure, Base of the Pyramid (BoP) type of projects, transportation, tourism, cultural industries and small and medium enterprises (SMEs) development, and
3. The Caribbean Diaspora that will address the wide presence of CARIFORUM nationals living abroad in key markets.

Proactive promotion component will include lead generation and qualification of investors, road shows for individual presentations, and workshops. Key markets include the United States, the United Kingdom, Spain, France and China depending on the specific sector and type of proactive promotion, as explain in this report.

The regional investment climate component will develop cross-cutting initiatives that contribute to the improvement of the investment climate in the region. The component will address five joint initiatives: (i) customs harmonization and automation systems; (ii) regional unification of Visa Regime; (iii) roadmap for the identification of bottlenecks and streamlining procedures in land registration/transfer; (iv) a strategy for the launch and use of alternative energies; and (v) a program for the development and strengthening of workforce productive skills and capacities based on investor's needs.

With a budget of US\$ 5.6 million, RIPS will be implemented in a three-year time-frame with clear and specific outputs that include statistics on:

- Investors in database list,
- Qualified investors,
- Shortlisted investors,
- Contacted investors,
- One-on-one presentations,
- Caribbean visits, and
- Outcome indicators including among others:
 - U.S. dollar amount of new investments,
 - Jobs generated,
 - Expansion investments, and
 - Jobs generated by expansions after the three years.

To be successful, RIPS must be very pragmatic, at least in the short term. It must focus on identifying leads with good investment prospects for the region.

The success of RIPS assumes a collaborative and participative framework among the Investment Promotion Agencies (IPAs) of the 15 CARIFORUM members

and CARIBBEAN EXPORT; however due to limited resources and work overload of the IPAs, it is important to avoid relying on their resources and time, at least in large quantities. Instead, the strategy management, implementation and follow up should rely on Caribbean Export.

The CARIFORUM member countries have a unique opportunity to change the profile of FDI flows coming into the region. RIPS could contribute to making a difference in support of the much needed social and economic development for the region.

II. INTRODUCTION AND BACKGROUND

Three specific dimensions give meaning to the RIPS strategy: (i) recent developments in FDI flows to the region; (ii) IP efforts IPAs have been making in the region through CAIPA and its strategic plan 2014-2018 to capture FDI flows; and (iii) initiatives undertaken in the past for similar purposes.

RECENT TRENDS IN FDI FLOWS TO THE REGION

With respect to FDI flows captured by the Caribbean region in recent years, the region as a whole has managed to achieve the highest compound annual growth rate in the last decade. A significant part of these flows went into financial and offshore centers such as the BVI. Although in 2012 of the 15 CARIFORUM countries, nine saw an increase in their FDI inflows compared to 2011 (Antigua and Barbuda, Belize, Dominica, Dominican Republic, Guyana, Jamaica, St. Vincent, Suriname and Trinidad and Tobago), and the remaining six saw a decline in their FDI inflows in the same period (The Bahamas, Barbados, Grenada, Haiti, St. Kitts and Nevis, and St. Lucia), the overall FDI flows into the region fell from US\$ 8.8 billion in 2012 to US\$ 6.9 billion in 2013.

Not only have FDI flows to several CARIFORUM countries fallen, but the English-speaking Caribbean countries have not recovered the levels of FDI they had prior to the global financial crisis of 2008.

Additionally, despite the good performance in attracting FDI, facts show that it has not had a significant impact on the countries' development levels in the region, which are still low in terms of workforce jobs and poverty levels. These facts confirm that the RIPS strategy should not only focus on higher levels of FDI but on the impact sectors that are targeted as well.

Clearly, the CARIFORUM region cannot expect significantly increased FDI by doing the same things it has done in the recent past. A clear strategy for identifying and attracting investment in today's world economy must adopt highly targeted innovative techniques, technology and methodologies to ensure increased FDI flows.

STRATEGIC PLAN 2014-2018 CAIPA

The first attempt to articulate a strategic framework to guide the work of CAIPA since its inception in 2010 seeks to answer a number of challenges that Caribbean countries confront in becoming successful investment destinations while strengthening IPAs current capabilities to make their work more effective.

The objectives and scope of RIPS are not only aligned with CAIPA's strategic plan 2014-2018 but also address the main constraints and respond to the major challenges that IPA's face in the region (human capacity, financial resources, research and information, policy influence and sustainability).

CARIBBEAN INVESTMENT PROMOTION SERVICE (CIPS), AND THE EUROPEAN DEVELOPMENT FUND (EDF)

Attracting investment to the region as a general strategy has been addressed in the past.

CIPS, an initiative supported by grants from USAID, the Caribbean Development Bank, the United Nations Development Program and UNIDO in the early 80's, supported several Caribbean countries, together with Panama, Colombia, and some Central America Countries in working together to share common services and undertake joint efforts to identify potential investors and encourage their investment to the region.

In the mid-1980s the program was moved to Washington D.C., focusing only on the Eastern Caribbean countries and called ECIPS. It is unclear for how many years ECIPS operated; however an interview with one of the officers who participated in representation of one country estimates its duration in between four to six years¹. ECIPS operated through an Executive Director who reported to the OECS and two promotion officers who worked and represented all the Caribbean countries (the promotion officers came from the ECIPS countries) who reported to the Executive Director.

CIPS and ECIP were successful in increasing the visibility of the Caribbean among potential investors in the United States and developing the skills of IPA's staff participating in the program, managing investor databases, conducting individual interviews and presentations as well as identifying companies seriously interested in e Caribbean investment.

The consultant tried to gather as much information as possible in regard to CIPS through interviews with participants and documents. However, due to the long time elapsed since ECIPS ended, not much information was available. The limited information identified some of the main challenges ECIPS faced that included: (i) limited funding which didn't allow the program to be executed with a wider scope and also continue its operations after four to five years of operations, and (ii) ECIPS' countries disparity in terms of size and investment opportunities offered that resulted in some of the countries not getting any investments. These challenges emphasize the importance of having strong participation from the countries in the implementation of the strategy in order to track and manage the interest each of the countries get from potential investors and take specific actions to address any disparity that might occur.

¹ Interview with Michael Fadelle from Dominica in September 2014.

The realities and conditions for RIPS are different today compared with those under which ECIP was executed in the 80s. These included globalization, the availability of the Internet as a marketing and communications tools, and a stronger institutional framework to support RIPS (such as CARIFORUM and CAIPA).

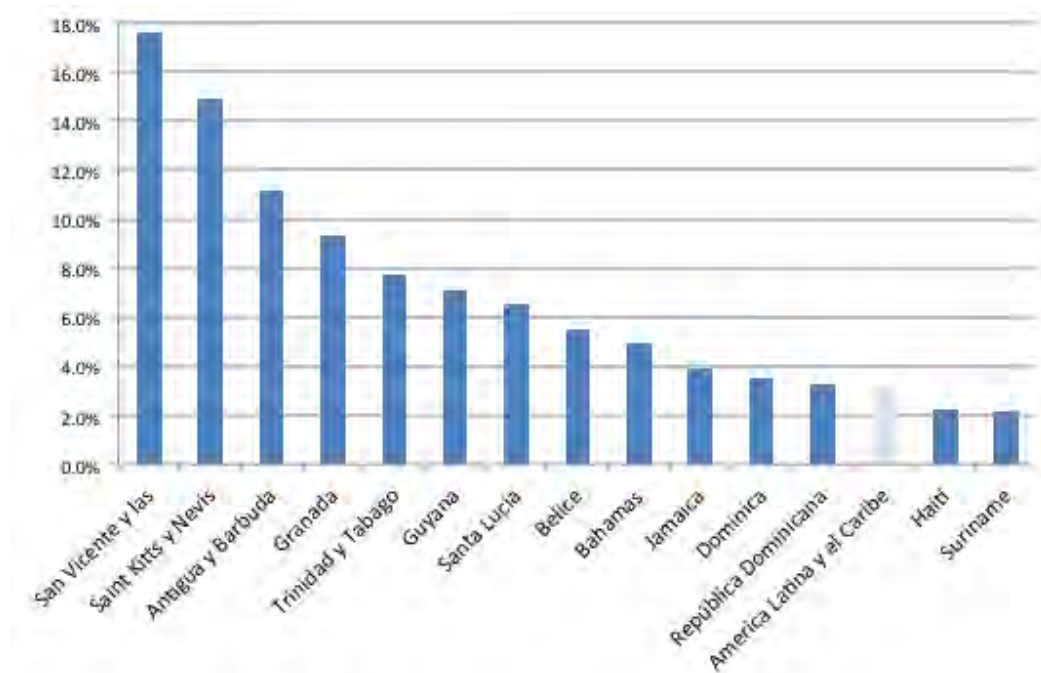
RIPS new realities, compared with ECIPS, together with the challenges it faced have been considered and reflected in the Guidance Principles and Institutional Arrangements of RIPS.

The 10th **European Development Fund** (EDF)/Regional Private Sector Development Programme (RPSDP) Caribbean Export has been supporting the investment promotion process in the region by strengthening Caribbean Export's institutional capacities to implement investment promotion programs as well as CAIPA support. It is under the same initiative that this strategy is presented, with a goal of making a difference in the quantity and quality of FDI that the region needs to attract in the coming years in response to its major economic development challenges.

III. FDI FLOWS IN THE CONTEXT OF RIPS

The Caribbean region has had an excellent track record in generating FDI inflows over the last decade. As seen in Graph 1, measured by FDI inward stock as a percentage of gross domestic product, most of the CARIFORUM member countries have had more FDI inward stock as % of GDP than the Latin American and the Caribbean average. This indicator is extremely impacting considering the scales of economic and sector diversifications compared with Latin American economies.

**Graph 1. FDI as % of GDP.
CARIFORUM Economies 2013**



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

There is an important disparity in terms of FDI as a percent of GDP among CARIFORUM countries, in many cases explained by FDI flows directed to countries with natural resources and financial offshore centers.

Compared with other regions of the world, the Latin America and Caribbean region's performance in capturing FDI flows has surpassed that of other regions in the World. While Global FDI flows increased between 2007 and 2013 at a CARG of 7.99%, Latin America and Caribbean FDI flows grew at a CARG of 15.35%

Table 1. World FDI Inflows 2007-2013.
Compound Annual Rate of Growth – CARG – 2002 - 2013

Region/economy	2007	2008	2009	2010	2011	2012	2013	COMPOUND ANNUAL RATE OF GROWTH - CARG 2002 - 2013
World	2,001,987.31	1,818,834.25	1,221,840.12	1,422,254.76	1,700,082.35	1,330,272.92	1,451,964.72	7.95%
Developed economies	1,322,795.01	1,032,384.63	618,595.72	703,474.05	880,406.18	516,664.34	565,625.83	2.19%
Europe	911,458.59	577,951.73	408,924.02	436,302.89	538,877.28	244,090.24	250,797.90	-2.24%
North America	333,383.59	367,996.69	166,233.29	226,680.17	263,170.43	203,641.55	249,907.62	9.02%
Developing economies	591,161.24	668,757.98	532,580.06	648,207.58	724,839.92	729,449.23	778,372.35	14.88%
Africa	51,364.34	59,276.49	56,042.58	47,034.11	48,020.94	55,180.20	57,238.85	13.21%
Asia	365,822.30	396,024.84	323,682.69	409,021.15	430,622.47	415,106.30	426,354.98	14.51%
East Asia	164,970.89	195,446.20	162,578.34	213,991.49	233,422.57	216,679.30	221,057.53	11.97%
South-East Asia	86,684.65	50,340.06	46,793.10	99,123.76	99,612.93	117,526.93	125,455.24	19.81%
South Asia	34,557.48	56,691.79	42,426.75	35,038.39	44,371.88	32,441.77	35,560.55	11.53%
West Asia	79,609.29	93,546.80	71,884.51	60,867.50	53,215.08	48,458.31	44,281.67	23.34%
Latin America and the Caribbean	172,795.76	211,138.40	150,912.94	189,512.68	243,913.93	255,863.94	292,080.79	15.74%
South America	71,672.25	93,394.03	56,676.93	95,875.44	131,120.37	142,063.34	133,353.57	15.25%
Central America	39,673.78	36,046.35	21,954.37	29,691.67	31,985.19	26,631.77	49,035.69	6.00%
Caribbean	61,449.73	81,698.01	72,281.64	63,945.57	80,808.37	87,168.83	109,691.54	33.21%

Source: UNCTAD FDI Statistics
<http://dhttp://unctadstat.unctad.org/>

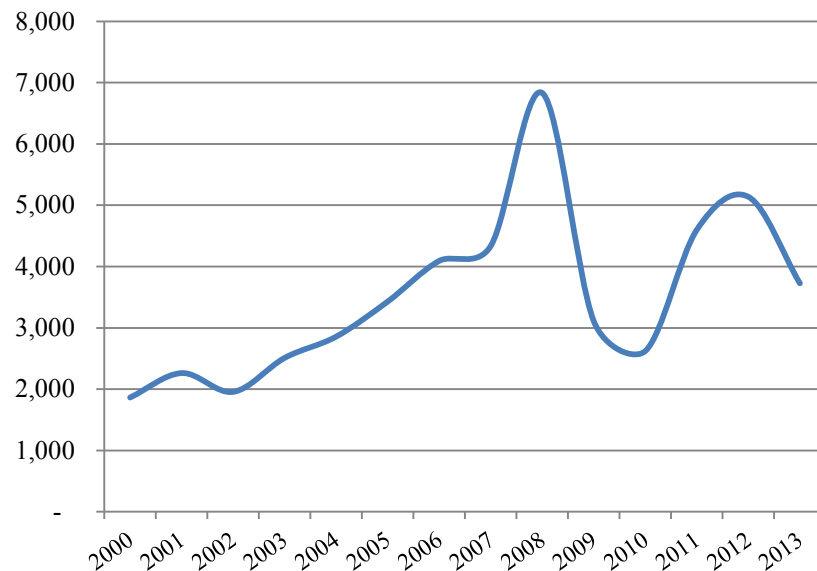
Of the world's FDI inflows, developing economies showed an increase in their 2013 FDI inflows compared to 2007 of 14.88%, and developed economies saw a growth in their FDI inflows in the same period of 2.19%.

Latin America and the Caribbean region grew at an annual compound growth rate of 15.74% between 2007 and 2013. The **Caribbean region** only, grew at an annual growth compound rate of 33.21% in the same period.

FDI flows to Latin America and the Caribbean increased by 18% in 2013 – the fourth consecutive year of growth – reaching an estimated US\$294 billion. “The increase was mainly driven by Latin America, Asia and the Caribbean,” said UNCTAD’s Global Investment Trend Monitor from January of 2014. While in previous years FDI growth to the region was largely driven by South America, in 2013 Central America and the Caribbean were the main recipients of FDI growth (FDI inflows increasing by 93% and 38% respectively). While foreign investment in the Caribbean rose to \$113 billion in 2013 from \$82 billion in 2012, Central America received \$48 billion in 2013, compared to \$25 billion in 2012. It is important to mention that a significant share of the FDI into the Caribbean region was driven by flows to the offshore financial centers of Cayman Island and the British Virgin Islands and also commodity exporter countries such as Trinidad and Tobago and Guyana.

FDI inflows growth in 2012 could not be sustained in 2013 and as shown in Graph 2, FDI inflows into the English-speaking Caribbean countries have not recovered from the world financial crisis of 2008. This general trend highlights the importance of addressing a clear and effective strategy to attract FDI inflows into the region.

**Graph 2. FDI inflows in English Speaking Caribbean Countries
CARIFORUM Countries. 2000 – 2013 in Millions US\$.**



Source: Economic Commission for Latin America and the Caribbean (ECLAC).

When excluding the sizeable flows into financial offshore centers in the region, FDI into the rest of the Caribbean countries is relatively small.

Notwithstanding the decade's better performance relative to the rest of the world, the region still requires greater flows of private investment, both national and international, to create new jobs, increase government revenues through taxes, heighten the demand for local goods and services and contribute to each country's economic development. It is important to (i) maintain the recent FDI growing trend in the case of some countries and (ii) reverse the negative FDI in the case of FDI-declining countries. In the context of the major development challenges all the CARIFORUM countries face, it is clear that FDI inflows are a critical part of their economic growth. In this respect, the idea of a regional investment promotion strategy is essential to maintaining and increasing FDI flows into sectors in the region with good job generation potential, such as tourism and BPO centers.

Indeed, one of the first questions an international investor asks himself when exploring investment opportunities abroad for expansion of his operations is: Which region of the world offers the best growth potential for expansion?

Although the answer to this question depends on several factors including the industry in which the company operates, the type of efficiency that the investor is looking for, and the markets in which it seeks to sell its production among others, it is clear that the image of the region plays an important role in encouraging prospecting for investment opportunities.

In the context of the above-mentioned challenges, some global trends shaping FDI flows that favors the development of RIPS include: (i) FDI relocation in the manufacturing and service sectors where investors are moving their operations from remote to closer locations to their headquarters (from outsourcing to near-sourcing); (ii) in the race for FDI capturing, developing countries are taking the lead, attracting more FDI in relative terms than developed nations; (iii) reinvestment of earnings are an increasingly more important source of finance for long-term investment, creating opportunities for expansion of already established investors; (iv) global value chains characterizes today's global economy, where services and goods are traded in fragmented and internationally dispersed production processes, opening opportunities for small economies to participate in global value chains by specializing in niche value chain opportunities; and (v) projects are smaller and more specialized with an average of 35 jobs and US\$ 5 million investments per project.

In spite of stiff competition for FDI flows today, with more than 10,000 Economic Development Organizations (EDOs) worldwide, the Caribbean has the potential to become an attractive location for investments by: (i) removing some of the business development inhibitors the region faces, and (ii) implementing an effective investment promotion strategy in key target markets.

The main FDI challenges and opportunities the region faces can be summarized in a SWOT analysis, as shown in Graph 3.

Graph 3. CARIFORUM SWOT Analysis

CARIFORUM SWOT Analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Diversified agricultural production. • Well –established and positioned tourist destination in global markets, with moderate growth. • Excellent geographic location and climate/weather conditions. • University of the West Indies - Good tradition in some leading universities • Political stability and strategic location with access to USA and Latin America. • Natural beauty/climate/tourism. • Competitive labor costs. 	<ul style="list-style-type: none"> • Weak positioning in front of global markets as an investment destination. • Relatively low quality standards in different industries such as medical tourism, ICT and agribusiness. • Weak commitment from Governments in reaching consensus on regional and local issues: e.g. Promotion of renewable energy and air connectivity, establishment of CARIFORUM Investment Code. • Limited public-private partnership initiatives. • Investment climate pending reforms: national policy frameworks, investment regulation. • Unsustainability of tax incentives regime. • Lack of structured data base of information relevant to investment decision making process.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Strengthening of Caribbean region as investment destination with clear sector positioning through marketing and communication messages. • Growth trend in global markets in sectors with presence in the region – e.g. Tourism, ICT, Agribusiness, Renewable energy - • Leverage on wide region diaspora for IP in key target markets. • Coordinated effort in IP to increase promotional impact • Use of foreign offices • Implementation of proactive promotion capacities and skills among IPAs. 	<ul style="list-style-type: none"> • Competition in sectors with growth potential – e.g. Tourism, ICT, Agribusiness - from close regions/countries like Central America – where different countries are aggressively promoting their opportunities, and Africa – Eastern Africa capturing the attention of new investors and international donors. • Prone to natural disasters. • Limited and unreliable air transportation within the Caribbean region

The political stability in the region is an important foundation for promoting investments and trade facilitation; similarly important is the strategic geographic location that allows competitive transportation (availability, lead times, frequencies, time zone) that facilitates global operations to potential markets in the United States and Latin America.

In addition, the region earns solid destination image recognition through an established and well-positioned tourist destination in global markets, providing a reputable marketing campaign not only for visitors but also for potential investors.

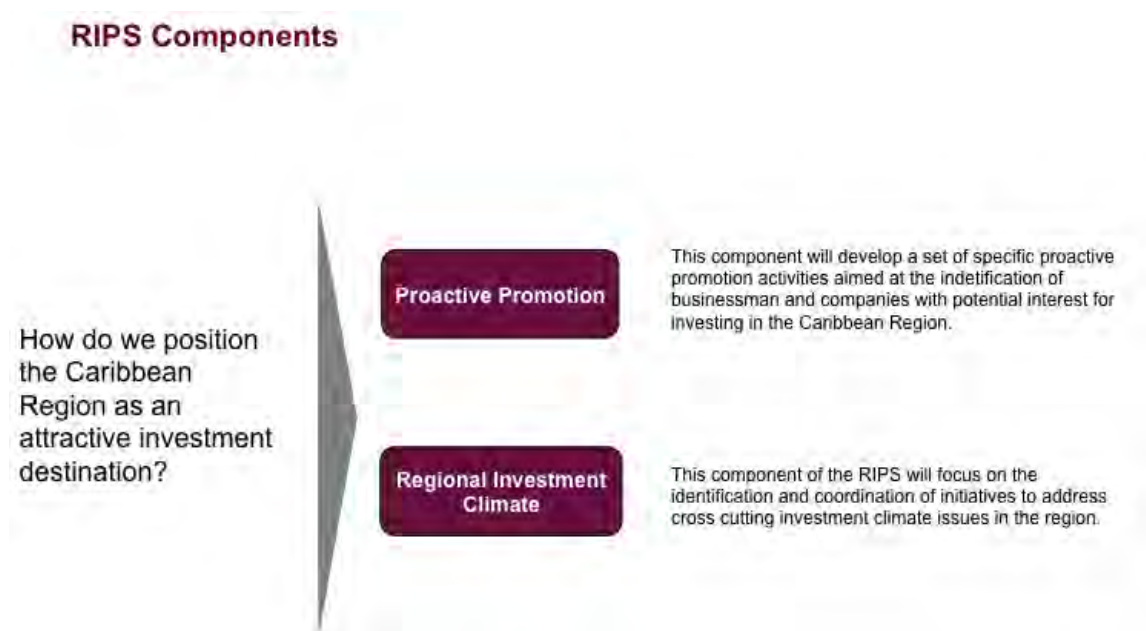
These are some of the assets that support the development of a business strategy for CARIFORUM countries and open opportunities for positioning the region as one of the investment destinations for different types of potential investors when deciding where to expand their businesses.

Nevertheless, the region faces some challenges that inhibit its potential to attract businesses. Chief among them is a diffused and weak image as an investment destination that allows it to compete in the attraction of investments. For small economies such as those from CARIFORUM member countries, with limited resources to identify and approach potential investors, an overarching regional image that underlines the specific

business opportunities as part of a coordinated and structured investment promotion effort aimed at capturing investor's attention will enhance the prospects of economic and social development for each CARIFORUM country.

IV. RIPS COMPONENTS

Basically, RIPS strategy seeks to answer the question of how can we position the Caribbean region as an attractive investment destination. For this purpose RIPS will be developed through two components: 1. **Proactive Promotion**, which encompasses a series of specific initiatives in order to identify companies and "leads" that might be seriously interested in considering investment opportunities in the region, and 2. **Investment Climate** in the region, which aims to identify, support and coordination of efforts to address cross-cutting themes of the investment climate in the region.



The two components of RIPS, as shown in different parts of this report, are consistent with the overall vision for the region as described in the “Second Report of CARICOM Commission on the Economy,” specifically in regard to energizing the private sector in CARICOM states to increase production as governments concentrate on maintaining economic stability and providing public goods that facilitate economic activity². By attracting FDI into specific sectors with economic development impact potential, and addressing regional investment climate issues, RIPS is aligned with two of the three immediate priorities that require early attention in order to position the private sector as a growth driver in CARICOM states, namely rejuvenating the private sector and modernizing and streamlining government procedures towards an agile public sector.

² SECOND REPORT CARICOM COMMISSION ON THE ECONOMY (Established by Twenty-Seventh Meeting of the Bureau of the Conference of Heads of Government) Extract on Business Operating Environment Submitted to the Seventeenth Meeting of the Council for Finance and Planning & Thirty-Fifth Regular Meeting of the Conference of Heads of Government July 2014.

PROACTIVE PROMOTION

This component will be developed through three specific sub-components: 1. sector-based proactive promotion; 2. Impact Investors, and 3. the Caribbean Diaspora. Through a series of specific proactive promotion initiatives, each of these three sub-components will have a particular approach to reach a diversity of investor audiences in key markets with messages promoting specific investment opportunities.

Sector-Based Proactive Promotion

This sub-component will develop investment promotion best practices for the identification and qualification of potential investors -- or “targeting” -- to promote business opportunities in four sectors with investment opportunities in the region.

Identification of Sectors: For the purpose of identifying those sectors with better opportunities for investment and growth in the region, the consultant used a combination of three approaches. First was an analysis of sectors that have attracted the greatest number of projects and FDI flows among CARIFORUM over the last ten years using data gathered by FDI Markets, a recognized publication specialized in the monitoring of FDI flows worldwide. From the perspective of the number of foreign projects landed in the region, four sectors have managed to attract the highest number of them:

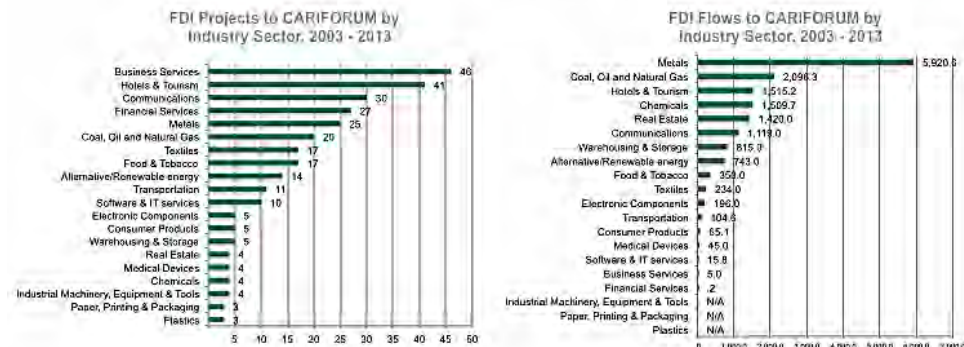
- 1. Business Services**
- 2. Hotel and Tourism**
- 3. Communications**
- 4. Financial Services.**

From the perspective of investment flows, regardless of the number of projects, the sectors that have captured the greatest FDI flow, excluding extraction industries (metals, coal, oil and natural gas) are 1. Hotel and Tourism, 2. Chemicals, 3. Real Estate, and 4. Communications.

Graph 4. CARIFORUM FDI Trends

CARIFORUM FDI Trends

- Four sectors (business services, hotel and tourism, communications, and financial services) captured 46 percent of the total number of projects; however two sectors (metals and coal, oil and natural gas) captured 49 percent of total FDI flows into the CARIFORUM region



Source: FDI Markets.

of projects include greenfield investment and expansions. The reference to the number of projects and FDI flows identified by FDI Markets is not intended as a comprehensive overview of FDI Trends to the region. It does provide a perspective on the information shown.

The second approach included the mapping of the sectors that were promoted by the national IPAs, for each of the 15 CARIFORUM members. The consultant used the industry classification from UNCTAD as part of its Annual Investment Reports, which divides into three main categories (primary sector, manufacturing sector and services sector), and added a fourth category (Creative goods and services). The intent of this approach was to identify those sectors that are cross cutting as investment opportunities to all or the majority of the CARIFORUM members.

Table 2. Priority Sectors for CARIFORUM Countries

Sector / Industry	Antigua and Barbuda	The Bahamas	Barbados	Belize	Dominica	Dominican Republic	Grenada
Primary							
Agriculture, hunting, forestry and fishing	x	x	x	x	x	x	x
Mining, quarrying and petroleum				x		x	
Manufacturing							
Food, beverages and tobacco				x		x	
Textiles, clothing and leather				x		x	
Wood and wood products							
Publishing, printing and reproduction of recorded media							
Coke, petroleum products and nuclear fuel				x			
Chemicals and chemical products							
Rubber and plastic products / Light manufacturing						x	
Non-metallic mineral products / Light manufacturing						x	
Metal and metal products							
Machinery and equipment							
Electrical and electronic equipment / Components			x			x	
Motor vehicles and other transport equipment						x	
Other manufacturing							
Services							
Renewable Energy, Electricity, gas and water		x	x	x	x	x	x
Electricity, gas and water							
Real Estate & Construction				x			
Trade						x	
Tourism, Hotels and restaurants	x	x	x	x	x	x	x
Transport, storage and communications		x				x	
Financial Services	x		x	x			
ICT	x		x	x	x	x	x
Public administration and defence							
Education							
Health services / Medical Tourism	x		x		x	x	x
Creative goods and services							
Art Crafts	x	x	x	x	x	x	x
Audio Visuals				x	x		
Design					x		
New Media							
Performing Arts (including film)				x	x		
Visual Arts						x	

Sector / Industry	Guyana	Haiti	Jamaica	St. Kitts and Nevis	St. Lucia	St. Vincent and the Grenadines	Suriname	Trinidad and Tobago
Primary								
Agriculture, hunting, forestry and fishing	x	x	x	x	x	x	x	x
Mining, quarrying and petroleum	x		x				x	x
Manufacturing								
Food, beverages and tobacco	x	x	x					x
Textiles, clothing and leather	x	x						
Wood and wood products	x							
Publishing, printing and reproduction of recorded media								
Coke, petroleum products and nuclear fuel								x
Chemicals and chemical products								x
Rubber and plastic products / Light manufacturing	x							x
Non-metallic mineral products / Light manufacturing	x							x
Metal and metal products								
Machinery and equipment								
Electrical and electronic equipment / Components								
Motor vehicles and other transport equipment								
Other manufacturing								
Services								
Renewable Energy, Electricity, gas and water	x	x	x	x	x	x	x	x
Electricity, gas and water		x						x
Real Estate & Construction								
Trade								x
Tourism, Hotels and restaurants	x	x	x	x	x	x	x	x
Transport, storage and communications	x		x	x				x
Financial Services			x	x				
ICT	x	x	x	x				
Public administration and defence								
Education								
Health services / Medical Tourism			x					
Creative goods and services								
Art Crafts	x	x	x	x	x	x	x	x
Audio Visuals			x					
Design			x					
New Media								
Performing Arts (including film)			x					
Visual Arts								

Sources: Foreign direct investment in the Caribbean Trends, determinants and policies. ECLAC. CARIFORUM Interviews with Countries' IPAs. Countries' Websites. Consultant Analysis.

The sectors promoted as investment opportunities by most of the CARIFORUM IPAs are: Agriculture/Agribusiness, Tourism, Renewable energy and Business services/ICT.

Combining the information from the first two approaches, and using the sector classification mentioned above, the consultant developed a qualitative approach to assess the sectors' investment potential using three criteria: 1. presence of cross-sector investment opportunity in CARIFORUM countries; 2. growth and expansion opportunities for the sector in the global context; and 3. development challenges (provides a qualitative assessment - based on the consultant experience – on the constraints and reforms needed to improve the business conditions). For each of these three categories a qualitative qualification was used: (HIGH, MEDIUM and LOW) in order to assess specific potential for each of the subsectors.

**Table 3. Sector Qualitative Prioritization Matrix.
Short and Medium Term potential**

SECTOR	Across-the-board Presence of Sector among CARIFORUM countries	International Opportunities for Growth/Expansion	Sector development challenges
Primary			
Agriculture, hunting, forestry and fishing	HIGH	HIGH	HIGH
Mining, quarrying and petroleum	LOW	HIGH	MEDIUM
Manufacturing			
Food, beverages and tobacco	MEDIUM	HIGH	LOW
Textiles, clothing and leather	LOW	HIGH	MEDIUM
Wood and wood products	LOW	HIGH	MEDIUM
Publishing, printing and reproduction of recorded media	NONE	LOW	HIGH
Coke, petroleum products and nuclear fuel	MEDIUM	MEDIUM	HIGH
Chemicals and chemical products	LOW	MEDIUM	HIGH
Rubber and plastic products / Light manufacturing	LOW	HIGH	HIGH
Non-metallic mineral products / Light manufacturing	MEDIUM	HIGH	MEDIUM
Metal and metal products	LOW	MEDIUM	HIGH
Machinery and equipment	LOW	MEDIUM	HIGH
Electrical and electronic equipment / Components	MEDIUM	HIGH	MEDIUM
Motor vehicles and other transport equipment	LOW	HIGH	HIGH
Services			
Renewable Energy, Electricity, gas and water	HIGH	HIGH	HIGH
Electricity, gas and water	MEDIUM	MEDIUM	HIGH
Real Estate & Construction	MEDIUM	MEDIUM	LOW
Trade	MEDIUM	HIGH	HIGH
Tourism, Hotels and restaurants	HIGH	HIGH	LOW
Transport, storage and communications	MEDIUM	HIGH	MEDIUM
Financial Services	HIGH	HIGH	MEDIUM
ICT	HIGH	HIGH	MEDIUM
Public administration and defence	NONE	LOW	HIGH
Education	MEDIUM	MEDIUM	MEDIUM
Health services / Medical Tourism	MEDIUM	HIGH	MEDIUM
Creative goods and services			
Art Crafts	HIGH	LOW	LOW
Audio Visuals	MEDIUM	LOW	MEDIUM
Design	MEDIUM	MEDIUM	MEDIUM
New Media	MEDIUM	HIGH	MEDIUM
Performing Arts (includes film industry)	MEDIUM	LOW	LOW
Visual Arts	LOW	LOW	LOW

Sectors highlighted in green indicate the best prospects for private investment across the CARIFORUM region, followed by the sectors highlighted in grey and then in orange. Thus, the sectors that have better investment prospect under this approach are: Agribusiness, Renewable Energy, Tourism, Medical Tourism, and Business Services/ICT.

In order to validate the extensive list of sectors identified, the consulting team reviewed the Summary of Priority Industries Identified by CARICOM, confirming that the initial extensive list of sectors identified for RIPS is aligned with the vision for the region³.

³ Please see the Annex section of this report for the Summary of Priority Industries Identified by CARICOM States.

In order to prioritize the sectors based on these three approaches, so RIPS has a clear focus on the opportunities to promote, the sectors were grouped into three categories: 1. Mature Sectors, 2. Emerging Sectors and 3. New Sectors. Specific sub-sectors within each sector were identified as the focus of the sector-based proactive promotion.

Graph 5. Qualitative Sector Categorization



Mature sectors are those that traditionally have been promoted and are relatively known as investment opportunities. Emerging sectors include those that have been showing a good track record in terms of capturing FDI over the past 10 to 15 years, and new sectors that basically have begun to be promoted within the region in the last 5 to 10 years with good potential.

Based on these criteria, RIPS should focus its proactive investment promotion efforts on: **Tourism** (beach tourism - massive tourism hotels and boutique hotels - , geotourism, adventure tourism and yachts and sailing), **ICT and Contact Centers** (call centers, BPO, data mining, claims processing, medical transcripts, payroll processing, software development), **Health and Wellness Services** (day spas, Medical spas, non-invasive, and cosmetic procedures), and **Alternative Energy** (wind energy and Solar energy).

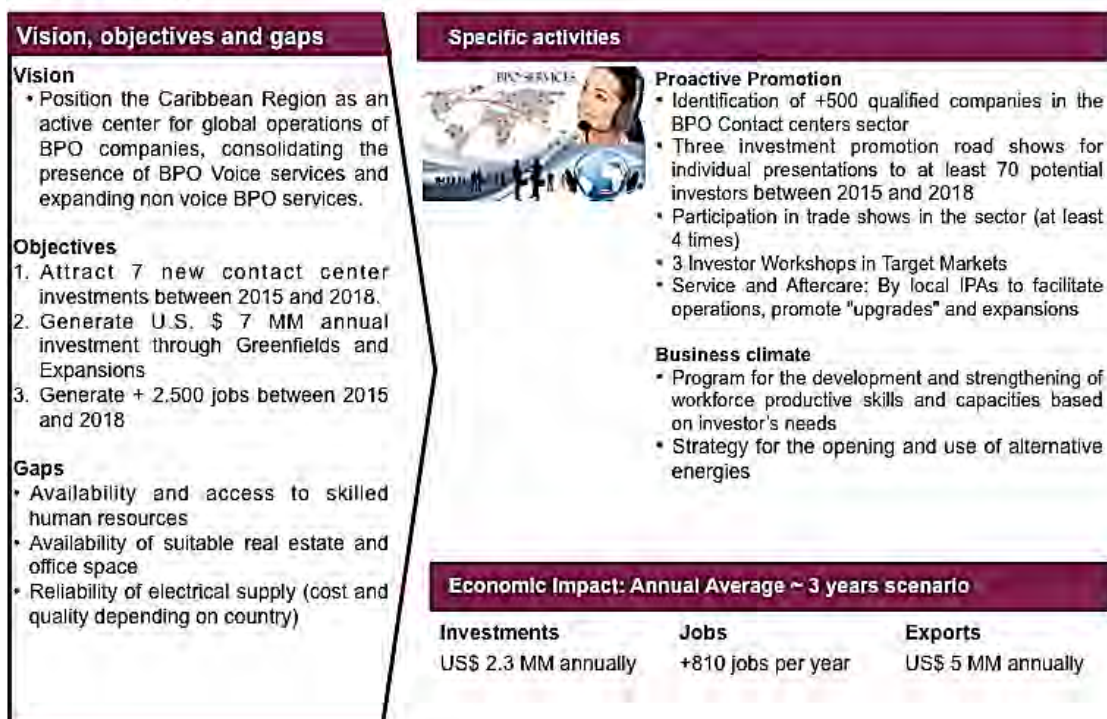
It is important to note that while there might also be opportunities for the other identified sectors, promotion efforts should focus on sectors with the greatest potential for attracting investment, to increase the likelihood of results in the short term. Other sub-sectors such as **Agribusiness** and **Offshore Education** are seen as sectors that

should be promoted in a second RIPS stage, or in Year Three of the strategy implementation.





The prioritized sectors are aligned and supported by some of the current FDI trends that include: (i) the **"Reshoring"** wave that is driving the relocation of investments from the United States and other major economies to destinations closer to their headquarters that is particularly relevant for the services sector; (ii) the services sector (business services and tourism) continued to account for the largest share of greenfield projects in developing economies. The value of greenfield project announced tripling in 2013 compared with 2012, and (iii) the majority of FDI investment in most of the Caribbean countries has been in the services sector (Tourism, Finance, Telecom and BPO).

Prioritized sector strategies: For each of the four prioritized sectors (BPO, Tourism, Health/Wellness, and Alternative Energy) a proactive promotion strategy, consistent with best practices, has been designed as shown in the following graphs. The strategy includes four elements: 1. vision, specific objectives and identification of main gaps and constraints; 2. set of specific proactive promotion activities, including techniques for the identification and qualification of leads, conducting road shows in target markets and the initiatives from the Regional Investment Climate component that support the sector development from a business climate perspective; 3. expected economic impact of the strategy; and 4. major trade shows to be considered for positioning the sector.

BPO Strategy



BPO Trade Shows

Descripción	
	<ul style="list-style-type: none"> The event brings together opinion experts and case studies from companies that have achieved outstanding results, looking for innovative models in performance, continuous improvement and operational excellence in shared services centers and outsourcing market. http://www.wbresearch.com/sharedserviceslatam/home.aspx
	<ul style="list-style-type: none"> One of the main events in the "outsourcing" industry. Promote discussion of actions for best practices, thought leadership and best practices to guide the "Chief Information Officers" (CIOS) and leaders to make better decisions about "outsourcing". http://www.gartner.com/technology/summits/na/outsourcing/
	<ul style="list-style-type: none"> Andean Contact Centers and CRM Congress - International BPO Forum The event brings together the best companies providing service in the Lati American Region, showing the latest technology for the development of the activity among companies from the Contact Center and BPO Industry. http://www.acdecc.org/esp/congreso/home_congreso.php
	<ul style="list-style-type: none"> Global contact center meeting known as a worldwide platform for educational growth, "networking", exchange of best practices and operation optimizations. http://www.icmi.com/ACCE
<p>In addition to the participation in the Trade Shows the sector will be promoted in the Annual Caribbean Investment Forum and the Workshops to be conducted as part of the road shows</p>	

Markets for targeting - BPO Sector

The target markets for the proactive promotion of the BPO sector are divided in two groups. In order to focus the IP efforts in markets that offer a better prospect to increase the likelihood of success, RIPS should focus on those that due to the reshoring trend and relatively closer location to the region might have a better potential for short-term investment success. With this perspective, RIPS should focus its proactive promotion for the BPO sector from the outset in the U.S. and the U.K. Starting the second year, RIPS could consider adding markets such as Mexico, India and Indonesia (in the case of India and Indonesia, two important global players in the BPO sector, the value proposition for potential investors will address the Caribbean location benefit to serve clients based in the U.S. who prefer to outsource their BPO needs to companies located closer to their headquarters).

Tourism Strategy

Vision, objectives and gaps

Vision

- Position the Caribbean Region as World Class Tourism Investment Location for renowned flagship and boutique hotels in a unique tourism destination.

Objectives

1. Attract 4 new hotel operations between 2015 and 2018.
2. Generate U.S. \$ 20 MM annual investment through greenfield investments
3. Generate + 500 jobs between 2015 and 2018

Gaps

- Air connectivity
- Need to update image of the Caribbean as a region as a Tourism Destination
- Reliability of electrical supply (cost and quality in many countries)

Specific activities

Proactive Promotion

- Identification of +500 Hotels
- Three investment promotion road shows for individual presentations to at least 50 potential investors between 2015 and 2018
- Participation in trade shows in the sector (at least 4 times)
- 3 Investor Workshops in Target Markets
- Service and Aftercare: By local IPAs to facilitate operations, promote "upgrades" and expansions

Business climate

- Program for the development and strengthening of workforce productive skills and capacities based on investor's needs

Investments

US\$ ~ 7 MM annually




Jobs

+175 jobs per year

Exports

US\$ 5 MM annually

Tourism Trade Shows

	Description
ITB Berlin 	<ul style="list-style-type: none"> World's largest tourism event. Gathering of tourism destinations, tour operators, booking systems, airlines, hotels, etc. http://www.itb-berlin.de/en
World travel Market 	<ul style="list-style-type: none"> Focal point in the travel and tourism industry. Hotels, operators, agents. Over 5,000 exhibitors and generated \$ 2,000 MM in 2013. http://www.wtmlondon.com/
Fitur 	<ul style="list-style-type: none"> Global meeting point for tourism professionals and the leading trade fair for receptive and outbound markets in Latin America with almost 9,000 exhibitors and over 100,000 visitors http://www.ifema.es/fitur_01/
China outbound travel & tourism market 	<ul style="list-style-type: none"> With 11th year, COTTM is regarded as the industry's most important platform and remains the only business to business event that focuses purely on the burgeoning outbound market. http://www.cottm.com
Travel Mart Latin America 	<ul style="list-style-type: none"> Tourism trade show for Latin America. A meeting place for buyers, tour operators and tourism professionals in the region. http://www.travelmartlatinamerica.com/
<p>In addition to the participation in the Trade Shows the sector will be promoted in the Annual Caribbean Investment Forum and the Workshops to be conducted as part of the road shows</p>	

Markets for targeting - Tourism Sector

The target markets for the proactive promotion of the Tourism sector are divided in two groups. In order to focus the IP efforts in those markets that offer a better prospect to increase the likelihood of success, RIPS should focus on those that due to the presence they already have in the region might have a better potential for short-term investment attraction. RIPS should focus its proactive promotion for the tourism sector from the outset in the U.S., U.K., France and Spain. The second year of RIPS could consider adding other markets such as Mexico, Indonesia, Nigeria and Turkey (the so called MINT countries).

Health and Wellness Strategy

Vision, objectives and gaps

Vision

- Position the Caribbean Region as Center for relaxing vacation for non-invasive wellness treatment.

Objectives

1. Attract 8 new health and wellness operations between 2015 and 2018.
2. Generate U.S. \$ 16 MM annual investment through greenfield investments
3. Generate + 200 jobs between 2015 and 2018

Gaps

- Air connectivity
- Need to update image of the Caribbean as a region as a Tourism Destination
- Reliability of electrical supply (cost and quality in many countries)

Specific activities

Health
& Wellness

Proactive Promotion

- Identification of +250 Spas, Beauty Centers, wellness operators
- Three investment promotion road shows for individual presentations to at least 50 potential investors between 2015 and 2018.
- Participation in trade shows in the sector (at least 4 times)
- 3 Investor Workshops in Target Markets
- Service and Aftercare: By local IPAs to facilitate operations, promote "upgrades" and expansions

Business climate

- Program for the development and strengthening of workforce productive skills and capacities based on investor's needs – Staff manual for Spas, beauty centers

Economic Impact: Annual Average ~ 3 years scenario

Investments

US\$ ~ 8 MM annually





Jobs

+70 jobs per year

Exports

US\$ 16 MM annually

Health and Wellness Tourism Trade Shows

	Description
	 <ul style="list-style-type: none"> • With 97,600 visitors and 700 exhibitors, FIBO is the worldwide Leading Trade Fair for Fitness, Wellness and Health. Every year in April, global top-decision makers of the industry come together in Cologne looking for the latest innovations and trends for their gyms, wellness facilities, doctors and physiotherapy practices, hotels etc. • http://http://www.fibo.de
	 <ul style="list-style-type: none"> • With four leading skin care and spa trade shows across the country, The International Congress of Esthetics and Spa in Miami Beach, Long Beach, Dallas and Philadelphia provide superior education and dynamic show floors that feature the largest display for skin care and spa products. • http://longbeach.skincareshows.com

In addition to the participation in the Trade Shows the sector will be promoted in the Annual Caribbean Investment Forum and the Workshops to be conducted as part of the road shows

Markets for targeting - Health and Wellness Tourism

The target markets for the proactive promotion of the Health and Wellness Tourism sector are divided in two groups. In order to focus the IP efforts in those markets that offer a better prospect to increase the likelihood of success, RIPS should focus on those that due to the presence they already have in the region might have a better potential for short-term investment attraction. RIPS should focus its proactive promotion for the Health and Wellness Tourism sector from the outset in the U.S., U.K., France and Spain. Starting the second year, RIPS could consider adding other markets such as Mexico, Indonesia, Nigeria and Turkey (the so called MINT countries).

Alternative Energy Strategy

Vision, objectives and gaps

Vision

- Promote the use of Renewable Energy and Energy Efficiency in the Caribbean Region.

Objectives

1. Attract 5 new renewable energy projects between 2015 and 2018.
2. Generate U.S. \$ 20 MM annual investment through greenfield investments
3. Generate + 100 jobs between 2015 and 2018

Gaps

- Unfavourable National Energy Policies
- Need to review and amend of electricity legislation and regulations
- Facilitation of stakeholder dialogues (public and private sector) on Renewable Energies and Energy Efficiency

Specific activities

Proactive Promotion

- Identification of +100 Renewable Energy and Energy Efficiency companies
- Two investment promotion road shows for individual presentations to at least 50 potential investors between 2015 and 2018.
- Participation in trade shows in the sector (at least 2 times)
- 2 Investor Workshops in Target Markets
- Service and Aftercare: By local IPAs to facilitate operations, promote "upgrades" and expansions

Business climate

- Identification of main constraints for alternative energy development
- Promotion of energy projects to part of impact investors

Economic Impact: Annual Average ~ 3 years scenario

Investments

US\$ ~ 6.5 MM annually


Jobs

+33 jobs per year

Exports

N/A

Alternative Energy Trade Shows

	Description
<p>Renewable Energy World</p> 	<ul style="list-style-type: none"> Renewable Energy World North America conference & expo is North America's leading all renewable event. Its renewables and the global market track will examine how renewables are making an impact on emerging markets, for example how they are solving energy issues for the billions of people worldwide without access to power. Cutting-edge conference sessions will cover the most pressing trends in renewable energy, giving you all the information you need to solve real problems and explore real opportunities in renewable energy. http://www.renewableenergyworld-events.com/index.html
<p>Solar Power International</p> 	<ul style="list-style-type: none"> North America's premier business-to-business event for professionals in solar energy and related fields. The solar industry's most powerful, comprehensive educational conference and product exhibition. SPI brings the full range of industry ideas, experts, professionals, and information together in one comprehensive event that delivers: Peer-led educational programming; - Unique networking opportunities that allow you to solidify your current relationships and build new ones; - Connections with industry vendors and professionals from the U.S. and around the world as they showcase their newest products and services. http://www.solarpowerinternational.com

In addition to the participation in the Trade Shows the sector will be promoted in the Annual Caribbean Investment Forum and the Workshops to be conducted as part of the road shows

Markets for targeting – Alternative Energy

The target markets for the proactive promotion of the Alternative Energy sector are divided in two groups. In order to focus the IP efforts in those markets that offer a better prospect to increase the likelihood of success, RIPS should focus on those that due to the presence they already have in the region might have a better potential for short-term investment attraction. RIPS should focus its proactive promotion for the Alternative Energy sector from the outset in the U.S., and Spain. Starting the second year, consideration should be given to adding other markets such Germany and the U.K.

In summary, throughout the proactive promotion strategy RIPS will identify investment leads for each of the four prioritized sectors that will include: (i) databases of prospective companies with coordinates and contact information; (ii) individual presentations at investor's offices in target markets; and (iii) visits from potential investors interested in assessing potential business opportunities in the Caribbean region.

These activities are part of the **funnel approach**. An extensive list of companies is filtered down through a qualification process in order to identify and visit potential investors seriously interested in assessing investment opportunities in the region and eventually making an investment. The idea is to aim at a number of actual investments based on an extensive bank of qualified contacts, as shown in the graph below.

Graph 6. Proactive Promotion Funnel Approach

Goals and Milestones for the RIPS (funnel approach)

Assumptions

- Levels and growth of FDI project's in the region make these targets reasonable
- RIPS will focus on proactive promotion activities for each sector
- Realistic yet challenging investment and employment targets

	BPO & Contact Centers	Tourism	Wellness and spa	Alternative energy
Contacts/database	+500	+500	+250	+100
Qualified leads	100	100	100	75
Active cases - presentations	75	50	50	50
Investor visits to the region	20	15	15	10
Actual investments	7	4	8	5
Conversion rate (on qualified leads)	8-10%	5-10%	8-10%	5%

Reinvestment Strategy

One important asset that CARIFORUM countries have to promote a sustainable economic development are the already established investors. In many countries in the World, including small island, a substantial part of their FDI is generated from existing investors through aftercare, this is why RIPS should also address existing investors not only by working on the improvement of the business climate in the region, but also by targeting existing regional investors for expansion, reinvestment or diversification projects. The benefits of aftercare also impact RIPS proactive investment efforts. Because installed investors are the first point-of-call for potential investors, keeping them satisfied should be a combined regional and national priority.

In order to do this, RIPS will work on:

- The identification of the main regional investors (those investors with investment projects and/or businesses in at least 3 of the 15 CARIFORUM countries). For this RIPS, with the collaboration of the national IPAs will create a database of existing investors that meet the above mentioned criteria, including not only names, addresses, and contact numbers but also sector, and investor actions plans on projects.

The database of the most important regional investors should also have information in relation to:

1. What are the expansion plans of the company for the next three years?
 2. What specific steps can RIPS or the National IPAs take to facilitate or promote these plans (incentives, training, ministerial visits to headquarters)?
 3. How can RIPS and/or the National IPAs strengthen the position of the local manager to fight for an expansion?
 4. What impact will these plans have on the local economy (employment, investment, etc.)?
- Gauge the main obstacles and conditions that inhibit the expansion of their business in the region. For this RIPS will develop a brief survey to gather perceptions from investors highlighting areas that may need immediate or more long term attention from a regional perspective, a clear link to the investment climate component of RIPS. The survey will set a baseline from which RIPS can measure progress of the relationship and progress on investment environment related issues.

In doing this RIPS will try to understand how well or how poorly they are performing, the investors' relationships with local suppliers or other companies, and the attitudes of their management towards a number of important regional issues affecting their businesses.

- Work directly with the National IPAs to identify potential initiatives at the regional and national level that would at least improve retention of the already established investments and in general encourage positive perceptions of the country.

In working on the reinvestment strategy RIPS will should begin with the largest investors, preferably export-oriented, and/or those within RIPS priority sectors. As part of the reinvestment strategy, RIPS should also develop frequent contact with the most important bi-national business associations in each of the countries of the region to encourage them to expand their operations in the region and also to learn from them what cross-cutting initiative could be promoted to facilitate business in the region, as explained in the partnerships section of this report.

Impact Investors

The second sub-component of the Proactive Promotion component of RIPS is the Impact Investor. This sub-component focuses on a category of investors whose philosophy is not only to make viable business/investment profits, but also to pursue sustainable economic development by creating productive jobs in disadvantaged sectors of the population.

Impact investments are made in companies, organizations, and funds with the intention of generating a measurable, socially beneficial and environmentally sustainable result along with financial returns. These types of investments are usually made in emerging markets by targeting a range from below-market returns to above-market rates, depending upon the circumstances. They tend to have roots in social or environmental issues.

Microfinance directed at people who are poor, mostly women, with an entrepreneurial spirit, is another form on impact investment that often can be successful in growing new businesses. Grameen Bank, founded by 2006 Nobel Peace Laureate Muhammad Yunus, is the leading success story with respect to the benefits of microfinance development.

This sub-component is addressed to investment funds specializing in such investments including the **multilateral development banks** (MDBs) and investors at the base of the pyramid. Examples for each of these categories include MDBs (Caribbean Development Bank, Inter- American Development Bank, Multilateral Investment Fund, Chinese Eximbank, World Bank/IFC) Global Impact Investors (Leopard Capital, Portland, Small Enterprise Assistance Funds (SEAF), Calvert Foundation, Root Capital, Grameen Creative Lab, and other organizations such as Avina Foundation, Aureos Capital, Western Union Foundation and local investors.

RIPs will support the development of an Impact Investment Network in the Caribbean Region

Impact Investment	
Who?	How?
<p>MDB</p> <ul style="list-style-type: none"> • Caribbean Development Bank • Inter-American Development Bank • Multilateral Investment Fund • Chinese EximBank • World Bank / IFC <p>Global Impact Investors</p> <ul style="list-style-type: none"> • Leopard Capital • Portland • Small Enterprise Assistance Funds (SEAF) • Calvert Foundation • Root Capital • Grameen Creative Lab <p>Others:</p> <ul style="list-style-type: none"> • Avina Foundation • Aureos Capital • Western Union Foundation • Local investors 	<p>RIPS / Caribbean Export</p> <ul style="list-style-type: none"> • Leads set up of impact investment platform <ul style="list-style-type: none"> • Position Caribbean as a priority region • Fill in financial and non-financial market gaps between supply and demand for impact investment • Identify impact investment opportunities at regional and national levels: <ul style="list-style-type: none"> • Infrastructure development • Access to energy • Products for BoP • Bring together MDB and private investors • Facilitates feasibility studies, business plan articulations, RFPs <p>Foundations and investment funds</p> <ul style="list-style-type: none"> • Co-finance platform • Present programs to the platform

Source: Consultant analysis with information from Impact Investment in the Caribbean. IADB 2011

While Asia, Africa and Latin America have become important impact investment destinations, the Caribbean has been largely overlooked by existing players as a priority region. RIPS will identify opportunities for impact investments in the Caribbean.

Sectors of interest for this type of investment in the Caribbean region, as identified by a MIF and Compete Caribbean study include: (i) alternative energy, (ii) agribusiness (iii) transportation including ports, island roads, and inter-island transport, (iv) tourism, (v) cultural industries, (vi) microfinance; (vii) SME development; and (viii) Base of Pyramid basic needs.

The intention is that RIPS acts as a promoter and facilitator of such investments by: (i) identifying potential investment opportunities; (ii) linking specific opportunities promoted by both the public and private sector with potential investors, and (iii) filling market gaps in terms of handling information regarding investment opportunities and investors.

Beyond the eight sectors aligned with the interests of the impact investors, RIPS will focus on the proactive promotion of four specific sectors, namely (i) infrastructure development, (ii) access to energy, (iii) products for BoP, and (iv) tourism, which are more aligned with the four sectors of the sector based proactive promotion sub-component. Although the intention is to provide information and assist any potential impact investor interested in any sector in the region, proactive promotion will focus on these four sectors.

RIPS will develop a network of impact investors and also build a project database that facilitates the identification of investment opportunities by providing access to relevant information including contacts data management for investment opportunities and promotion among potential impact investors.

For the impact investors, the promotion efforts will be focused on markets where these funds and organizations are based. These target markets are: U.S, UK and China. In each of these three markets, an approach to both impact investors as well as MDBs will be developed. Investors in the Caribbean and local entrepreneurs will also be targeted as part of this sub-component to identify potential partners and/or beneficiaries of these investments.

Caribbean Diaspora

The third sub-component of the proactive promotion component is the CARIFORUM Diaspora. Studies and analyses confirm the significant number of CARIFORUM nationals who live abroad, mainly in the United States and UK, and possess impressive professional profiles while sending large remittances back to their families in their home countries.

The Caribbean Diaspora should be viewed as an untapped source of investors in the region. Interest in their countries, combined with professional capacities and contacts make them an audience that needs to be addressed by RIPS in order to channel their remittances and access to other potential investors into specific investments in productive projects.

Two World Bank reports⁴ have concluded there are as many Caribbean people living abroad as there are living in the Caribbean. It is estimated that the Caribbean Diaspora exceeds 20 million worldwide.

⁴ Source: Diaspora Investing. The Business and Investment Interests of the Caribbean Diaspora. The World Bank. 2013..

A survey of more than 600 respondents affiliated with every country of the Caribbean concluded:

- 25 percent of survey respondents were considered affluent, with either net investable wealth or annual income of more than \$100,000;
- The Diaspora is well-educated with 80 percent holding a bachelor's degree or higher;
- 70 percent are formally or informally affiliated with organizations in their home countries;
- Half send remittances to their home country;
- 85 percent give back to the Caribbean through financial support or in other ways;
- Nine out of ten would like to be more engaged in the future, potentially as investors;
- 23 percent had invested already in a start-up company in the Caribbean region, and
- 85 percent would be interested in investing, while only 13 percent have done so currently.

The potential to engage the Caribbean Diaspora in doing business in the region is important. It can play a significant role in the social and economic development of the region, as investors and remittance senders, but also as “investment agents” who could identify other potential investors interested in the region.

Few of the CARIFORUM countries have a formal program in place as part of a structured outreach plan to work together with expats abroad to promote business and investment in their country of origin. RIPS will address directly this audience through this sub-component.

RIPS will create a **Diaspora Help Desk** that will be responsible for managing the Diaspora Direct Investment Program (DDIP), a channel for identifying the Caribbean Diaspora in key markets and providing a platform for the effective exchange of relevant information leading to the identification of investment opportunities.

RIPS Diaspora Direct Investment Program - DDI

		Description	CARIFORUM Countries with Diaspora Programs
Diaspora Role	Brain Gainer	<ul style="list-style-type: none"> • Talented and highly educated émigrés have returned to their home countries to tap into promising opportunities there. • Bring knowledge and technology as well as capital and access to markets in developed countries. 	<ul style="list-style-type: none"> • Dominica • Haiti • Jamaica
	Technologist	<ul style="list-style-type: none"> • Major conduits of technology and business know-how • Diaspora promotes spillovers: <ul style="list-style-type: none"> ▪ Vertical spillover: Disseminate better business practices and technology to suppliers and distributors ▪ Horizontal spillover: Domestic employees leave their employers and use the knowledge they gathered to become entrepreneurs. 	
	Capital Investor	<ul style="list-style-type: none"> • Less averse to political risk and economic shocks than foreign investors. • Interest in homeland investment is driven by a perceived ethnic advantage 	
	Catalyst	<ul style="list-style-type: none"> • Play a critical role in attracting non-resident FDI by setting up joint ventures and promoting export for domestic companies 	
	Diplomat	<ul style="list-style-type: none"> • Encourages development of internal market reforms because highly-skilled diaspora entrepreneurs provide a window to the global economy 	

The Help Desk will operate as a platform to link the expats with investment opportunities. The main functions include: (i) building of a data base of Diaspora in a key market; (ii) developing a diaspora network through the use of events, media, online tools (LinkedIn, Facebook, Webinars) and national contacts (ministries, private sector unions, universities, research and training institutes, banking sector and entrepreneurship associations, etc.); (iii) creating synergies with the investment opportunities positioned as part of the sector-based promotion and impact investors; (iv) facilitating information sharing and promoting networking and contacts among the Diaspora and local investors in the region, and (v) linking specific interests to National IPAs / National Diaspora Programs.

The Diaspora Help Desk will work closely with similar programs underway in some of the CARIFORUM countries (Dominica, Haiti and Jamaica have on-going programs aimed at identifying and engaging their diaspora with their home country) as well as Caribbean Diaspora organizations or associations operating in the U.S.

The development of the Caribbean Diaspora sub-component will focus in the US during the first stage of the strategy, due to the important size of the expats in that market.

It is important that the IPAs support the investment decision-making process of the Diaspora members and provide information to them as requested, in the same way they do for foreign investors. Usually IPAs tend to focus and pay more attention to larger investors; however in order to implement this sub-component, IPAs' activities must be extended and focused in promoting efforts that reach such investors, with the understanding that while RIPS will be responsible for proactively promoting business opportunities with the Caribbean Diaspora in the U.S., the IPAs will be responsible for responding to the specific information needs or requirements about investment opportunities at the country level.

RIPS and China

One of the target markets that RIPS cannot leave out, given its economic importance and growing interest in the region, is China. Approaching China as a target market for the different proactive promotion activities, however, should be conducted progressively, in order to make rational use of the resources and obtain some specific results.

The greatest challenge, when approaching this market is its immense size and difficulty in identifying and driving targeted promotional efforts. These complexities justify the design and development of a wider comprehensive strategy in itself that defines the different mechanisms and modalities to approach China for RIPS purposes. This wider and more comprehensive strategy should be developed leveraging on the knowledge and experience of the various embassies, consulates and business offices from CARIFORUM countries in China. Through them, RIPS could get important insights on the most effective ways to built sustainable and profitable collaborations with China. It should also consider the different types of business modalities available, not only those directly related to attracting investments but other types of business relations including trade and tourism.

The potential initiatives to be considered as part of this wider strategy should include: (i) the development of opportunities for transportation and logistics of goods exported from China to the western hemisphere in general and the EE.UU. in particular; (ii) the establishment of light manufacturing production facilities in CARIFORUM countries with strengths in this industry - such as Haiti and the Dominican Republic - for Chinese companies to export to the EE.UU. taking advantage of the free trade agreements in place and (iii) the promotion of the CARIFORUM region as a tourist destination for affluent Chinese.

Developing a business relationship with China should be considered as a medium term-effort going forward in the context of positioning the Caribbean in order to partner with countries in Asia such as China.

While a comprehensive strategy with these components is defined, it is recommended that RIPS approach China as a target market for the proactive sector-based promotion and also for impact investors following these recommendations:

In the beginning, the collaboration should focus on developing institutional ties for business cooperation between China and CARIFORUM that will allow the positioning of CARIFORUM as an investment destination to Chinese companies.

In doing this, RIPS will approach and work with the Chinese market by:

- i. Setting the foundations for the identification of potential business opportunities for investment projects through equity, debt, joint ventures and other mechanisms used by China. One of them is the use of resources available from the Chinese government for the promotion of Chinese businesses abroad. There are many programs in place in China for this purpose, through the Exim Bank of China, for example, but many people don't know how to access them.

Under this approach, RIPS will coordinate the identification of these programs promoted by the public sector of China to develop linkages with other countries or regions in the world.

The goal after the three years of RIPS is to have a cooperation program between an organization such as China the Exim Bank of China and RIPS / CARIFORUM that: (i) have a permanent mechanism of cooperation in place for different type of projects where China might have interest (e.g. infrastructure, logistics and transportation, energy) and (ii) use this mechanism as a platform to leverage other opportunities that China offers as an FDI source, including the development of contacts with different public and private sector institutions that could be potential partners in attracting FDI from China into CARIFORUM.

RIPS should also focus on the development of close collaboration with organizations such as the China Council for the Promotion of International Trade (CCPIT) - Chinese private sector umbrella organization – and China Council for International Investment Promotion (CCIIP) – Chinese national non-profit organization responsible for promoting China's inward and outward investment - in order to promote business linkages between China and CARIFORUM. Activities to develop this collaboration should include: (i) development of investment and trade inward missions from China, to promote businesses between companies from China and CARIFORUM countries, and (ii) identification of potential Chinese investors - qualified leads - for the development of proactive investment promotion activities.

Under this approach, at least at the beginning of RIPS, work will take place at the institutional level looking for the development of solid linkages with different public and private sector institutions in China that help RIPS to understand the best ways to approach the Chinese market for the RIPS goals. The collaborative relationship with these public and private sector institutions should enable the identification and direct work with Chinese companies interested in investing in the CARIFORUM region.

ii. Servicing potential Chinese investors who show interest in the region.

Once RIPS has developed collaborative relationships with Chinese public and private sector institutions that allows RIPS to identify potential Chinese companies, it will start approaching and servicing them through the use of proactive promotion tools and techniques and reactive promotion.

While the use of tools such as proactive promotion campaigns and road shows throughout different cities in Chinese cities will focus on Chinese companies operating in RIPS priority sectors, reactive promotion will provide services to any Chinese company – different from those identified through proactive promotion tools - show interest in CARIFORUM.

RIPS and Caribbean Embassies Abroad

One cross-cutting element of the three sub-component of the Proactive Promotion component, are the embassies and consulates from the CARIFORUM countries abroad. These diplomatic outposts usually can play an important role disseminating information about their countries, including information about business opportunities. On many occasions, they can be an important point of contact for businesspersons interested in obtaining information and learning about business opportunities in the target country.

RIPS will address the role of the embassies and consulates from the CARIFORUM countries abroad in two ways: 1. RIPS will provide a minimum level of training, using online tools, to the staff of the CARIFORUM embassies and consulates outlining the main aspects of RIPS, including how they can relate to the different RIPS activities, and 2. RIPS will provide and share the IP information at the regional level that will be used by the embassies and consulates in their regular IP or business promotion efforts including the dissemination of the information to interested audiences and parties related to the three sub-components of the Proactive Promotion component.

The CARIFORUM countries have a broad presence of embassies and consulates in many countries all over the world including the target markets for the Proactive Promotion component of RIPS. These embassies and consulates need to be informed and understand that the benefits of positioning the region as an attractive investment destination to facilitate their work in promoting their countries for IP purposes. It is important and useful that CARIFORUM member countries' embassies and consulates abroad incorporate into their IP efforts the activities and information generated under RIPS. It is expected that the diplomatic posts will become an important multiplier of the RIPS marketing and communications campaign.

The annex section of this report contains a list of all the embassies and consulates of each of the CARIFORUM member states.

REGIONAL INVESTMENT CLIMATE

The second component for RIPS is improving the investment climate at the regional level. There are many gaps and challenges that CARIFORUM countries face in attracting international investments and RIPS will work in addressing cross-cutting constraints that affect the development of private investments in the region.

In order to identify the investment climate areas in which RIPS will focus, the consultant used the work of two important initiatives that have addressed the main factors affecting the investment climate in the region and in most of the CARIFORUM countries: 1. The World Bank Doing Business report that identifies the performance of nine business indicators in the region compared to other regions in the world, and 2. The Caribbean Growth Forum (CGF), a CC initiative that has identified the main constraints at the country level and groups them in three Thematic Areas.

Out of the nine indicators used by the Doing Business report, the Caribbean region underperformed in three of them in comparison to other regions of the world: paying taxes, registering property and enforcing contracts. For the remaining six indicators, the region showed a relatively fair performance, compared to other regions globally.

Caribbean “Doing Business Ranking”

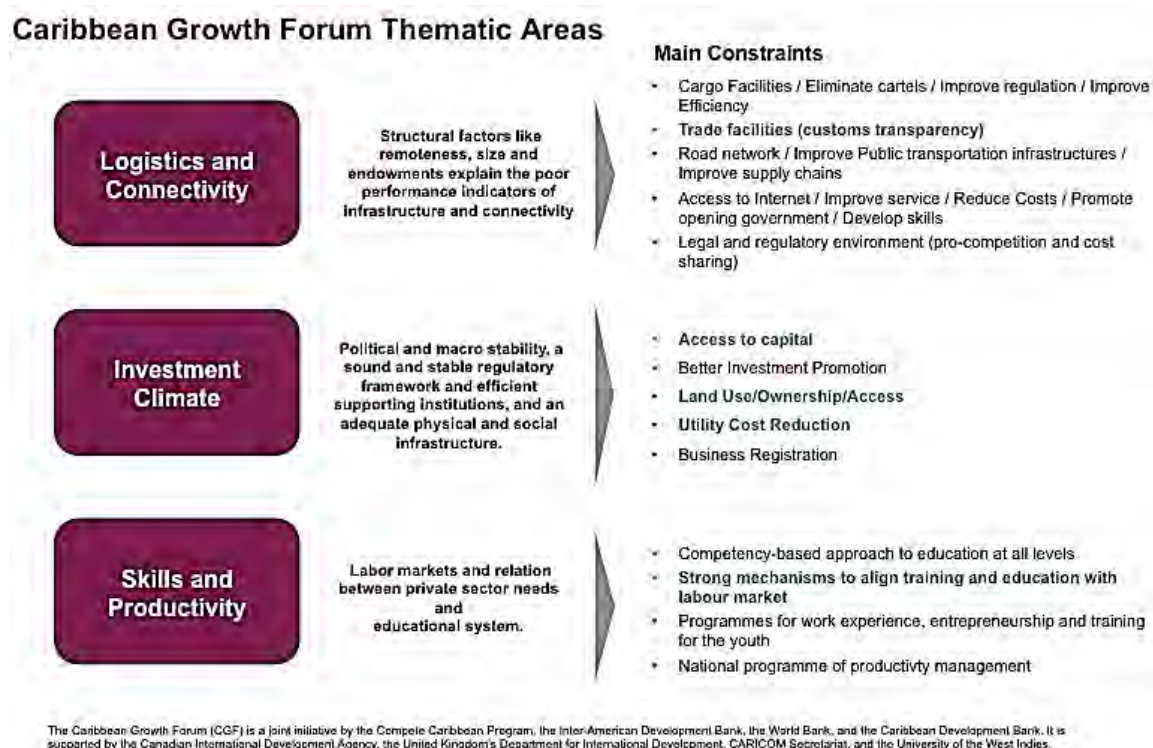


Average Rankings
Source: Doing Business 2014, World Bank.

The CGF initiative has grouped the main constraints affecting the business enabling conditions in the region in three thematic areas: (i) logistics and connectivity; (ii)

investment climate and (iii) skills and productivity. For each, investors, businessmen and representatives of the public sectors of each of the CARIFORUM countries where there are CGF⁵ national chapters have worked to identify and prioritize the main gaps and constraints affecting the business climate for each country.

The identification of the specific constraints that will be addressed by RIPS combined the cross-cutting perspective of Doing Business with the cross-cutting constraints identified by CARIFORUM countries under CGF. The result is shown in the following graph.



In addition to the Doing Business and CGF, the consulting team has experienced the burden of having to go through long immigration lines in many of the CARIFORUM countries during their trips to the region. Due to different visa regimes, each CARIFORUM country has a different regime for visa requirements for non CARICOM nationals, creating a hassle for investors who want to visit several CARIFORUM countries in one trip and increasing the costs of time and procedures for doing business in the region.

Removal of the visa obstacles is seen as an opportunity to improve the region's investment climate; therefore it is being added as one of the initiatives for the Regional

⁵ CGF has National Chapters in the following CARIFORUM countries: Antigua & Barbuda, The Bahamas, Belize, Dominica, Dominican Republic, Jamaica, Grenada, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname and Trinidad & Tobago.

Investment Climate Component. A unified visa regime that allows a visitor to travel to any of the 15 CARIFORUM member states with just one visa will simplify already-challenged air connectivity within the region.

Based on the two groups of main constraints identified, and the visa problem, the consultant addressed those that met two conditions: (i) their importance and impact in the processes of attracting investment, and (ii) the cross-cutting nature of the constraint. As a result six initiatives will be developed under the Regional Investment Climate component to address specific cross-cutting constraints, namely: trade facilities (customs transparency), visa requirements for transit of non-CARICOM nationals through CARIFORUM countries, land use/ownership and access, utility cost reduction, access to capital and training and education alignment with labor market needs.

RIPS Investment Climate Strategy

Main Constraint	Scope	
	Trade facilities (customs transparency)	<ul style="list-style-type: none"> • Simplification of import / export procedures • Automation of custom processes • Harmonization of custom regimens
	Visa requirements	<ul style="list-style-type: none"> • Harmonization and unification of Visa processes for non CARICOM nationals. • Support for Visa processing with online system.
	Land Use/Ownership/Access	<ul style="list-style-type: none"> • Mapping of land registration process • Streamlining of registration procedures • Automation support for land registration
	Utility Cost Reduction	<ul style="list-style-type: none"> • Review of energy matrix in the region. • Identification of main constraints for alternative energy development • Promotion of energy projects to impact investors
	Access to capital	<ul style="list-style-type: none"> • Addressed by local investors • Identification of capital sources for investments • Diagnosis of main constraints to access to capital and recommendations
	Alignment of training and education with labour market	<ul style="list-style-type: none"> • Identification of technical and third tier of education professionals • Identification of company needs in terms of skills and capacities from labor • Recommendations on: (i) Areas for development at technical and third level of education and (ii) Promotion of sectors that demand current labor offer in the region

While national agendas to improve the business climate will be conducted according to each country agenda, RIPS will address those that are common to most of the CARIFORUM countries and will provide roadmaps, diagnostics and studies with recommendations on how to overcome some of the main constraints addressed under RIPS. While both efforts are aligned and reinforce each other, RIPS regional investment climate component will focus on those that are cross cutting. The difference is in the transversal nature of the RIPS subcomponent.

Political will is needed at the country level for the implementation of the recommendations coming out of this component. Since neither RIPS nor CARIBBEAN EXPORT have a direct way to influence the implementation of specific investment

climate reforms, each country member must commit to perform accordingly. RIPS will interact with CARICOM and CARIFORUM to create awareness and generate consensus on the need for implementation of specific actions at the country level.

The fact that some of this component's initiatives, such as trade facilities (custom transparency) and access to capital, are aligned with the business climate initiatives addressed by CARICOM as described in the "Second Report of CARICOM Commission on the Economy," should facilitate the building of the political will for the implementation of this component⁶.

Finally, service to investors is an important element in the work of investment promotion and the conditions that a country offers to attract investors. This includes the capacity to provide information and facilitate the various processes that must be met to identify business opportunities and operate a business.

As part of the Regional Investment Climate component, RIPS will work through an educational campaign to be executed via online training, with the staff of all the organizations in each of the CARIFORUM countries that in one way or another frequently interact with investors, such as Tax Authorities, Ministry of Industry, Ministry of Labor, among others, in order to strengthen their capacities to service investors.

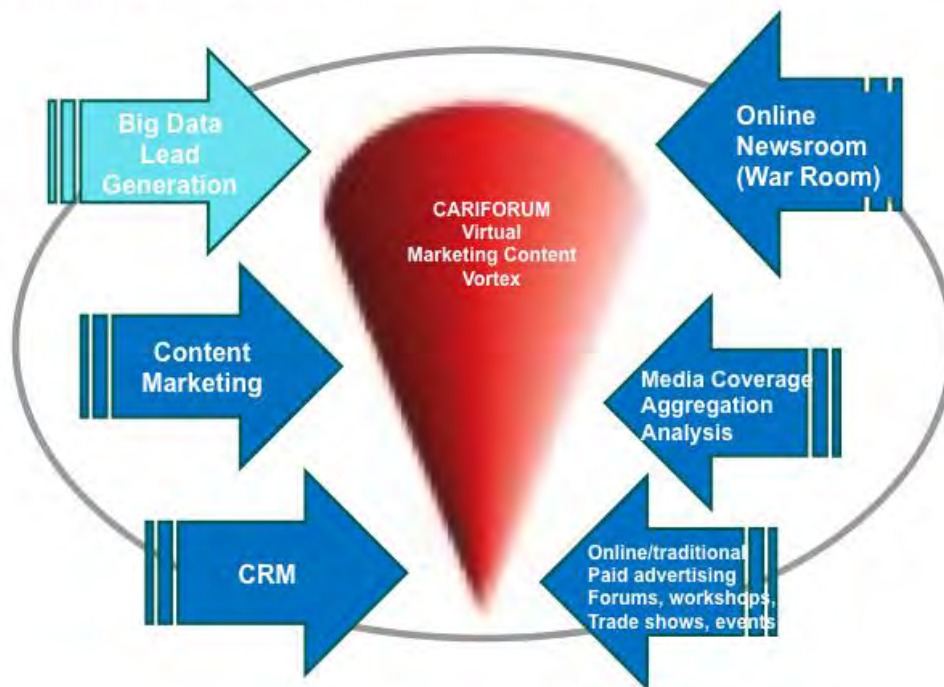
⁶ The SECOND REPORT CARICOM COMMISSION ON THE ECONOMY clearly set the priority to implement: (i) a comprehensive and effective logistics framework in order to enhance the efficiency of its connectivity with the rest of the world, and (ii) establishing a regulatory framework more suited to venture capital, new financial products and innovative financing schemes including addressing the special needs of small and medium-sized enterprises.

V. MARKETING AND COMMUNICATIONS STRATEGY

The marketing and communication strategy of RIPS will be developed through a **Virtual Marketing Content Vortex (VMCV)** that will process and produce key information for the communications strategy. The VMCV concept was developed specifically for RIPS and will combine the use of specific tools and marketing techniques with traditional forms of marketing and communications to position the Caribbean region as an attractive investment destination.

The VMCV will operate through an Online Newsroom (or War Room) that will process and manage all the marketing and communications needs of RIPS including the processing of technical information relevant to the investment decision making process at the regional level as well as the content development and monitoring of the campaign. This online newsroom will be the central backbone of the RIPS communication strategy and will monitor the media coverage of the region through the aggregated analysis of any content or news about the region, relevant from an image-building perspective.

Key elements of the communication strategy



The Online Newsroom will make use of traditional and online media tools and techniques including social media. Among these tools and techniques paid advertising, editorial coverage on the various activities undertaken under RIPS such as forums, investment forums, events and workshops will be used as opportunities to generate media content. Similarly press trips that allow a select group of specialized journalists in the focused sectors to travel to different countries of the region and learn about the investment opportunities that exist will also be helpful to generate coverage and content on the regions' investment opportunities. Press trips as part of marketing and communications investment promotion campaigns have been effective in generating editorial content that then are distributed through online media to larger key business audiences.

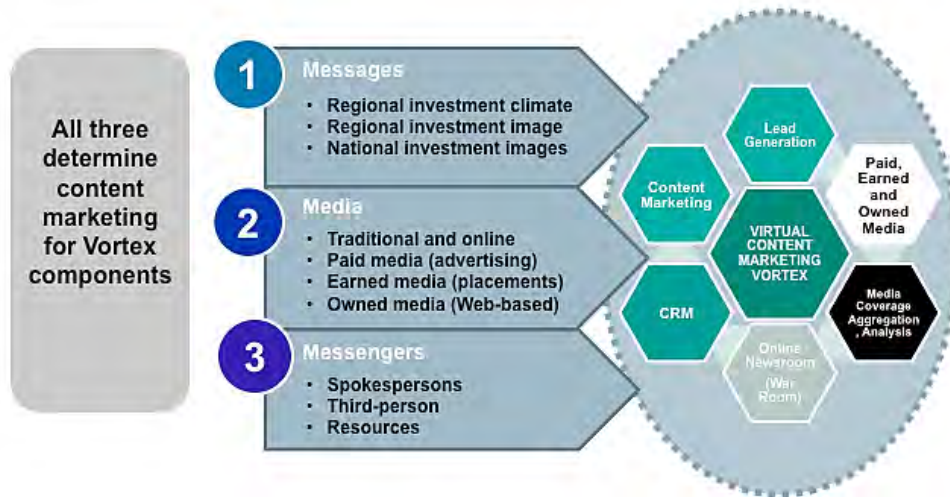
Some of the specific activities that will be handled through the Online Newsroom include: (i) analysis and preparation of qualified leads database by sector, type, size and global region; (ii) plan publicity for and during road shows, trade shows, workshops forums, and other opportunities to leverage earned media; (iii) identify media story angles including new investors, progress on regional investment climate challenges, among others; (iii) create traditional and online advertising campaigns and media sponsorships through paid media; (iv) analyze, evaluate and create cross-platform online Web site (Online Newsroom), online content marketing and social media impact and (v) provide "War Room" capabilities for crisis management.

The Online Newsroom will also handle and manage all matters related to: (i) content generation for RIPS and its marketing and communications needs; (ii) use of modern techniques such as Big Data, which enable a specialized function for different audiences and their interest in identifying investment opportunities information in the region, and (iii) build and management of journalists database for the distribution of marketing and communications content.

The VMCV will operate under the 3 Ms of Marketing (Messages, Media and Messenger). The messages will be generated for the purpose of publicizing and positioning specific marketing themes including investment opportunities and improvement of the regions investment climate conditions to key audiences. These messages will address the different investment opportunities promoted under RIPS as well as investment climate improvements at the regional and national levels.

Content to be used for the different messages that RIPS will position will come from the coverage of the different activities of RIPS and also from activities of the CARIFORUM countries. It can also come from any favorable analysis from studies, reports about business conditions and opportunities in the region. These include general reports from the IDB, the World Bank or specific reports such as the Doing Business report from the World Bank and the World Economic Forum's annual competitiveness ranking.

The 3 Ms of Marketing



News and feature media will be used to disseminate the marketing messages. The media as part of a marketing communication strategy include both traditional media such as The Wall Street Journal, The New York Times, The Financial Times, The Economist, Bloomberg BusinessWeek, Barons Financial Investment News, major broadcast and cable news and business channels, and similar media in both their printed/electronic and online versions, and other exclusively online media. Both communication formats (traditional and online) will be considered as potential news leveraging opportunities for RIPS.

Likewise RIPS will seek to work selectively through specialized media advertising. Any advertising campaign to be implemented as part of the marketing and communications strategy will be part of a sustained effort of at least six months of presence in a media market that assures the education of potential investors on the investment opportunities in the region. Any advertising effort will launch prior to the start of the investor targeting efforts so that there is resonance to facilitate meetings setup and interest in the region.

Media coverage will be generated through the editorial content from the press trips. Organizing at least three press trips during the three years of RIPS, in which groups of journalists (between 10 and 15) from one or two specific sectors can travel to different countries in the region to see firsthand the specific opportunities and the existing business conditions will contribute to content generation.

RIPS will identify and work with “Messengers” who will include spokespersons identified among representatives of regional business organizations and other institution that can fulfill a role in promoting business opportunities in the region.

Third parties such as representatives of MDB or investors such as the Caribbean Development Bank or the Inter-American Development Bank who might have positive news or a constructive message about the region may at any given time act as Messengers. This group also includes investors themselves who might be announcing an investment decision in the region.

VCMC through the Online Newsroom will be the coordination platform for the Messages, Media and Messengers that will develop the marketing and communications strategy of RIPS to reach specific audiences targeted by the proactive promotion component.

It will serve as a processing center for news aggregation, information dissemination and coordination of messages to be positioned for key audiences. Proactively it will generate and distribute marketing and communications content for RIPS and reactively when it identifies positive messages about business in the region generated by any reputable source and uses them to leverage the messages that are generated as part of RIPS.

RIPS MARKETING MESSAGES

Final marketing messages for the regional image-building campaign and the four selected sectors will resonate with each to form a cohesive, comprehensive awareness effort. The consultant is suggesting several possible approaches as examples of the direction this task may take. It is important to note that final marketing messages and taglines based on the core messages must await a research and development phase.

The final product will be developed after research and test marketing through mini-surveys and focus groups that will guide a thorough evaluation and decision on the most powerful options for the region and sectors.

The final messages should focus investor attention on three of the region's main attributes: its people, its natural resources and its location.

Overarching Regional Marketing Message

Unique Selling Proposition

With attractive tax incentives and a hospitable culture, the Caribbean in the heart of the Americas has emerged as a new destination of choice for international businesses looking to increase productivity in tourism, call center and back office operations and renewable energy. If this resonates with your business, the Caribbean has all the right answers.

Just one hour from the U.S., the Caribbean is quickly becoming the new location for niche businesses that are expanding operations with improved productivity. With its young, bi-lingual and mostly English speaking labor force and a location in the heart of the Americas, the Caribbean can package high-performance solutions for international companies in a range of sectors, including alternative energy, tourism, health and wellness and services for export

Overarching messages:

Following are some examples of marketing messages for the positioning of the Caribbean as an investment destination and also for each of the four selected sectors of RIPS.

- **“Bridges of the Caribbean”**
Connecting your world.
- **The Caribbean**
Your destiny, your destination
- **The Caribbean**
On the move...now your move!
- **The Caribbean**
Perfect Climate for Business.

**The Climate’s Right
In the Caribbean.**

- **The Caribbean**
Refreshing potential, resilient people

Sectoral Marketing Messages

Business Processing Operation/ICT

Unique Selling Proposition

The USP for the BPO/ICT sectors highlights friendliness and congeniality, valued attributes of customer care in call centers that are prevalent in the Caribbean workforce. In the Caribbean, a growing number of companies are discovering ideal conditions for call center and back office operations.

With a welcoming culture, the Caribbean has the largest English-speaking workforce in the region, low labor costs, and a nearby location to main consumer

markets that overlaps U.S. time zones. All are combined to make the Caribbean a most attractive destination for call center and back office operations.

Anyone who's been to the Caribbean knows how warm and helpful our people are. These values, embedded in the culture, combined with a young, mainly English speaking and also bi-lingual work force make the Caribbean the ideal location for call center operations.

Sector messages:

- **Calling the Caribbean**
"When your customers call, the Caribbean cares."
- **When you call**
The Caribbean answer
- **In the Caribbean**
We take good care of your customers.
- **The Caribbean succeeds**
With Customers in need.

Tourism

Unique Selling Proposition

The Caribbean's appeal for tourism investments is not only about sun, sand and sea. Full of stunning natural settings, including mountain ranges, rivers, wetlands, volcanos, deserts, coral reefs, and some of the most unique forms of wildlife in the world, the region's opportunities for tourism developments are limitless.

Its wealth of culture and ethnicity with people from European, African, Indian, indigenous descent, and every known mix of them, combined with the tropical climate, offer one of the most unique tourism investment destinations in the world.

The Caribbean also has a long history in tourism with the establishment of a strong tourism culture and infrastructure.

Sector messages:

- **The Caribbean On the Move**
Invest in your future
- **The Caribbean**
Where tourism investment make sense.

Everyone Loves the Caribbean.
Invest in the region of sun, sand and serenity.

Health and Wellness

Unique Selling Proposition

Quietly, yet most emphatically, the Caribbean is emerging as one of the most competitive destination in the Health and Wellness Tourism industry. The cultural and ethnic diversity of the Caribbean and its history and heritage, combined with the natural resources and climate of the Caribbean, excellent tourism infrastructure, competitive cost facilities and attractive business incentives, make the Caribbean region the emerging destination for health and wellness tourism. It is the place where healthy hotels and resorts, wellness spas, spiritual retreats, thermal baths, yoga retreats and wellness cruises prevail.

Sector messages:

- **Relax, the Caribbean Beckons.**
Here's to your good health where your business prospers.
- **Your Caribbean...**
Healthy, Wealthy and Wise!

Alternative Energy

Unique Selling Proposition

The Caribbean region has a significant wealth of renewable energy resources that are largely underdeveloped. The region offers a market where renewable energy can compete directly, on a true economic basis with existing power generators. Opportunities for renewable energy throughout the Caribbean region are vast, including new technologies such as wind, solar, biomass, and geothermal energy.

Sector Messages:

- **The Caribbean**
Clean and green.
- **Untapped Caribbean Energy**
Above, Below and Around.
- **Caribbean Energy.**
A wealth of alternatives.

VI. RIPS ACTION PLAN IMPLEMENTATION

The implementation and action plan for RIPS takes into consideration the lessons, experiences, results and constraints from other regional investment promotion initiatives such as the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA), the Southern Mediterranean (ANIMA) Network and the Baltic Region. Some of the lessons learnt from these initiatives and the implications for RIPS include:

- Regional economic and political ties take years to achieve.

RIPS could be seen as a first step towards regional integration. Although its main goal is to attract FDI into the region, it will become the first coordinated and structured effort in recent times, to support economic development through investment. It is important that the different stakeholders and organizations involved with RIPS understand that it should be part of a longer term effort to promote sustained social and economic development in the region.

- EAC made an investment of US\$ 1.3 billion over a five years period, to finance the regional integration under a business vision aimed at achieving economic development through trade and investments.

Certainly it will be hard for the Caribbean Region to access a budget as significant as the one used by EAC, however, the main message is that there are regions in the world that are taking seriously the commitment to achieve economic development through business promotion.

- Integration and commitment at the political level are important to promote investments more effectively. Economic development can move more quickly than political integration.

Economic development moves faster when there are political mechanisms in place that facilitate the adoption of reforms to improve the business enabling conditions. In the case of RIPS, the closest to a political mechanism that could support the improvement on the business climate in the region is CARICOM/CARIFORUM. RIPS should try to create awareness and a sense of urgency on the need to take leadership in supporting the investment promotion strategy through policy reforms that improve business-enabling conditions.

- Marketing and communications promotional campaign is essential in building FDI.

The positioning of any region or country as an investment destination nowadays demands an innovative approach to maximize the use of the resources to reach very specific audiences with compelling reasons on why to invest in a region or country. Marketing and communications is essential in creating a solid and attractive positioning of RIPS.

- Use innovative ways of tapping non-conventional sources of human and financial resources.

The creation of synergies with other organizations and initiatives helps in expanding the impact of investment promotion strategies. Some of the ways to achieve this include: (i) public-private partnerships; (ii) FDI and portfolio investment and (iii) international donors participation. RIPS addresses these three dimensions through its two components. In the case of public-private partnership, RIPS might keep on the radar should the opportunity arise, the possibility to promote a Caribbean Investment Global Center to support and facilitate FDI to the region.

- Overseas embassies and consulates should be used to promote RIPS programs.

RIPS has addressed this perspective and embassies and consulates are being involved in RIPS" implementation.

- Caribbean Regional Development Fund (ERDF) to tackle territorial infrastructure projects beyond national borders. Promote seminars for joint capitalization projects, including communications training for capitalization partners.

The impact investors sub-component of RIPS might be used as a vehicle to identify initiatives by investment funds and MDB that could support the development of initiatives such as the ERDF.

GUIDANCE PRINCIPLES AND INSTITUTIONAL ARRANGEMENTS

RIPS implementation will benefit from the close following of some guidance principles and institutional arrangements that should be addressed in order to support the achievement of different set goals. A strong and good strategy will fail if not executed properly; therefore Caribbean Export, CAIPA and the CARIFORUM IPAs need to work together in a coordinated fashion to guarantee RIPS" success.

A reality that needs to be addressed is the existence of different sizes, functions and capacities among the CARIFORUM IPAs. A flexible framework is important to allow the IPAs with relatively smaller budgets and capacities to get involve in RIPS according to its particular capacities.

One of the investment attraction models that has been widely applied in the region is the use of fiscal incentives to attract investments. Although RIPS mainly focuses on proactive promotion based on the comparative and competitive advantages of the region and is not addressing specifically the use of tax incentives by each country, it is recommended that CARIFORUM countries work together, perhaps through CARICOM,

in the harmonization of the use of tax incentives for capturing investments as a way of leveling the investment promotion playing field.

Caribbean Export, together with the various stakeholders including CAIPA, the EU, CARICOM, CARIFORUM and the national IPAs, needs to see RIPS as part of a medium- and long-term strategy to attract investments to the region. Some of the guiding principles need to be adopted and used with that perspective, chief among them are:

- The need to make RIPS a sustainable process that can perhaps evolve over time as the region achieves a higher level of economic integration.
- RIPS implementation needs to be transparent to its main stakeholders in terms of the information that it manages, the development of the different activities and the criteria used to guide its actions.
- RIPS should operate as a professional and reliable partner for the economic development of the region. It needs to proactively interact with other relevant institutions in the region, such as the Caribbean Development Bank and CARICOM, among others.
- Cooperation and coordination among Caribbean Export and CARIFORUM IPA members is key to achieving success.
- RIPS needs to manage transparent and efficient mechanisms for:
 - Information and communications among the different stakeholders,
 - Informing stakeholders about the decisions it takes, and
 - Support the efficient provision of co-specialized and complementary services to IPAs, such as investors' qualification and the investors information system.
- Caribbean Export will have a non-exclusive responsibility for international outreach.
- National IPAs effectively will provide services to potential investors identified under RIPS, once they have shown interest in a specific country.

Caribbean Export and IPAs

The following chart summarizes the assignment and distribution of the main general responsibilities of Caribbean Export or the consulting firm that could be hired for the implementation (as executing agency) and the IPAs.



As mentioned previously, Caribbean Export will have the major responsibility for positioning the region as an investment destination and reaching out to potential investors in key markets. The National IPAs basically will provide services to potential investors identified under RIPS, once they have shown interest in their specific countries.

At a more specific level, under RIPS together with the individual responsibilities Caribbean Export and the IPAs have, there is room for joint cooperation among them, per the different investment promotion goal developed.

The following chart summarizes the areas of joint cooperation and the specific activities that Caribbean Export and the IPAs will conduct separately.

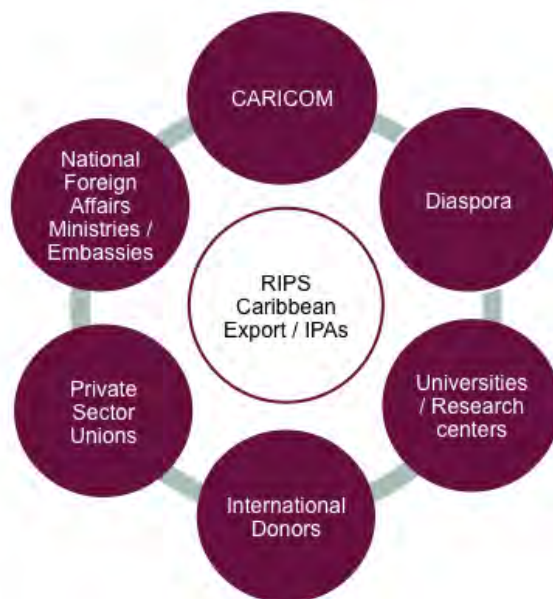
Guidance Principles and Institutional Arrangements

Roles/ Responsibilities	CARIFORUM IPAs / Countries	Joint activities Caribbean Export- IPAs	Caribbean Export led RIPS
Strategy development	Provide input and participate in Drafting RIPS; coordination with other relevant National-level agencies	Strategy coordination, implementation and follow up	Propose the RIPS and lead the implementation and action plan including funding.
Image building	Provide input for regional image building	Develop coordinated and consistent promotion messages; joint marketing of region or shared priority sectors	Providing platform for region positioning in marketing and communications activities
Investor targeting	Provide input and updated information for IP campaigns and follow up; Deal with leads coming directly to the IPA from Caribbean Export;	Joint Caribbean Export investment opportunity presentations abroad; joint cross- regional projects; cooperation beyond location decisions; e.g. supplier linkages across countries	Broad and focused effort on proactive regional investment promotion and targeting. Manage databases and support Embassies and Consulates abroad
Investor servicing / investment facilitation	Full responsibility for individual cases (information on local issues, site visits etc.)	Caribbean Export backup if needed	KM and capacity building for national agencies
Investor 'aftercare' and re-investment	Full responsibility for individual cases	Caribbean Export backup if needed, especially in projects of regional national importance and TNCs with presence in several countries	Support on regional issues; KM and capacity building for National IPAs
Policy advocacy	Addressing state IC issues; referring regional IC issues to Caribbean Export	Joint Caribbean Export - IPAs advocacy activities; use of Caribbean Export's and CAIPA's network	Address regional IC issues identified by Doing Business – Coordination with CGF initiatives; refer national-level IC issues to State agencies; KM and capacity build-ing for IPAs

RIPS Partnerships

One of the best practices for IP and a key success factor in the implementation of IP strategies is the development of partnerships with organizations and players who share the same values and vision toward economic development. RIPS will need to incorporate this practice as part of its implementation and work together with some players who, one way or another, are relevant to the activities implemented under RIPS. These potential partners of RIPS include: (i) CARICOM/CARIFORUM; (ii) international donors; (iii) Caribbean Diaspora that is being addressed by RIPS; (iv) universities and research centers in the region; (v) private sector unions; and (vi) embassies of CARIFORUM member countries abroad.

RIPS Investment promotion partnerships



One important audience of the partnerships should be the investors themselves, those who have already invested in the region. Not only can they be a source for new investments and expansion, but also have an important perspective on the things that need to be improved in order to facilitate their business and also enhance the business enabling conditions of the region. RIPS will maintain, through informal meetings and other tools that it considers effective, frequent contact with the most important bi-national business associations in each of the countries of the region to encourage them to expand their operations in the region and also to learn from them what cross-cutting initiative could be promoted to facilitate business in the region. The national chapters of the European and American Chambers of Commerce (national chapters are known as AmChams) should be included as part of this audience for partnership.

Alignment with other initiatives

In its implementation, it is important that RIPS looks at the different initiatives planned or underway by CARIFORUM countries to avoid duplication and maximize the use of human resources and financial available at the regional and local levels. The annex section of this report contains a list of the various initiatives being executed by countries in the region in the areas of investment promotion and competitiveness, growth and development of SMEs, agriculture, and facilitating business. Once RIPS is under execution, it will be important to contact the IPAs of each of the countries and Compete Caribbean or the IDB to understand the status of these initiatives and the synergy opportunities to enhance RIPS impact.

RIPS STRUCTURE FOR IMPLEMENTATION

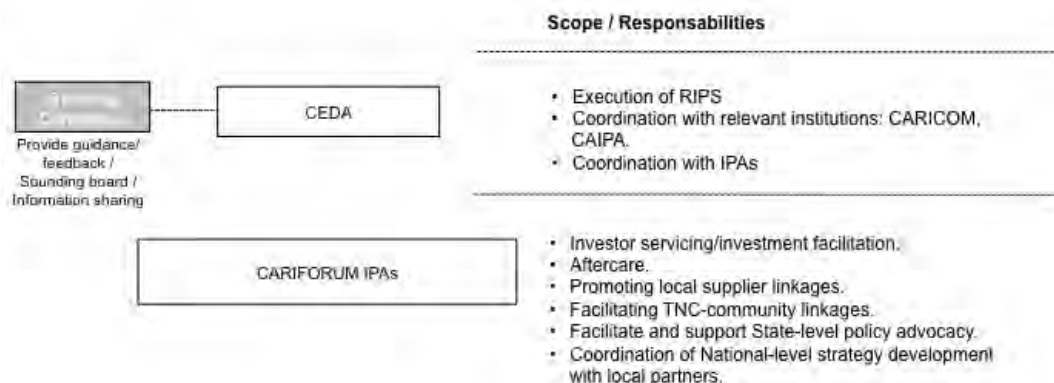
RIPS will operate as a network of structured and continuous interactions among selected agencies that have no formal authority over each other, but engage in the production of complementary or co-specialized services and coordinated policies with the purpose of seeking mutual benefits from facilitating and optimizing the functioning of an overall system.

RIPS will be led by Caribbean Export, which will direct RIPS implementation. In order to do this, although Caribbean Export can directly hire the staff to develop the different components and activities of the strategy, it is recommended that Caribbean Export hire a firm or individual consultants with the needed experience to execute the different components of the strategy. Although it can be thought that the operating costs of this option may be greater, in fact what is being done is to ensure the effectiveness of the implementation and its results by having consultants with extensive experience in the development of specific activities and the management of complex processes such as targeting investor, the development of the Diaspora, access to impact investors and the development of communication and marketing campaigns.

The consultant suggests that a Steering Committee be formed that would support RIPS implementation by sharing information and providing guidance and feedback on the execution of the different activities. It is important to clarify that this Committee would have no formal authority over RIPS or CARIFORUM but rather would bring value to RIPS by (i) disseminating information and identifying synergy opportunities with other initiatives, and (ii) providing perspectives on how to make RIPS effective in achieving its main goals. The members of this Committee will be the same members as the existing RIPS Committee, but as mentioned they will not have formal authority over RIPS during its implementation.

Caribbean Export will act as the executive director of RIPS, coordinating and overseeing: (i) the work of the consultants retained for the execution of the day-to-day operations of the strategy, and (ii) the coordination with the IPAs and other stakeholders.

RIPS Structure for Implementation



ACTION PLAN

RIPS action plan has been structured around three main areas:

- I. **Proactive Promotion:** preparation of all sector profiles and documents as well as investor outreach campaigns including road shows for one-on-one presentations and meetings with potential investors. Specifically, it involves ten activities during the three years of RIPS:
 1. Preparation of Sector Profiles and documents
 2. List and qualification of investors in target markets
 3. Investor's outreach
 4. Implementation of first road show
 5. Investors follow up and appointment setting
 6. Investor's outreach
 7. Implementation of second road show
 8. Investors follow up and appointment setting
 9. Investor's outreach
 10. Implementation of third road show
- II. **Marketing and communications:** operation of the Online Newsroom (with "war room"), Content Marketing Strategy, implementation of paid media and implementation of PR campaigns. Two targeted main activities will be implemented through the three years period:

1. Preparation of Online Newsroom
2. Preparation of PR Campaigns

Both activities will aim to provide all necessary tools for the participation in Investor Workshops in targeted markets as well as the Bi-Annual Caribbean Investment Summit.

III. **Business Climate:** development of six specific initiatives for the improvement of the region's investment climate, within a three years period as follows:

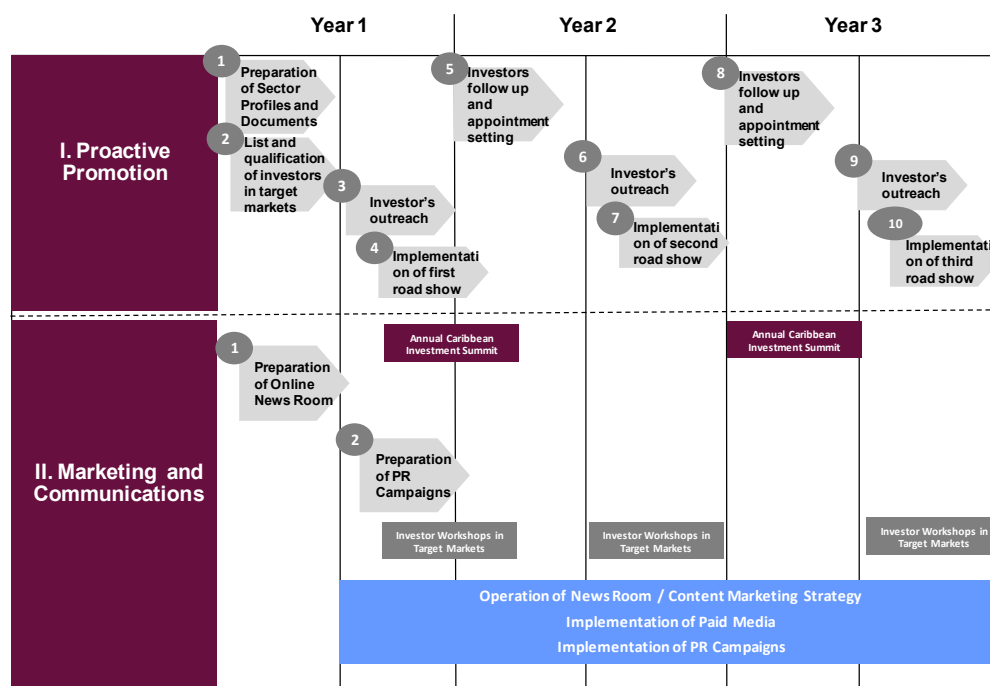
Year 1:

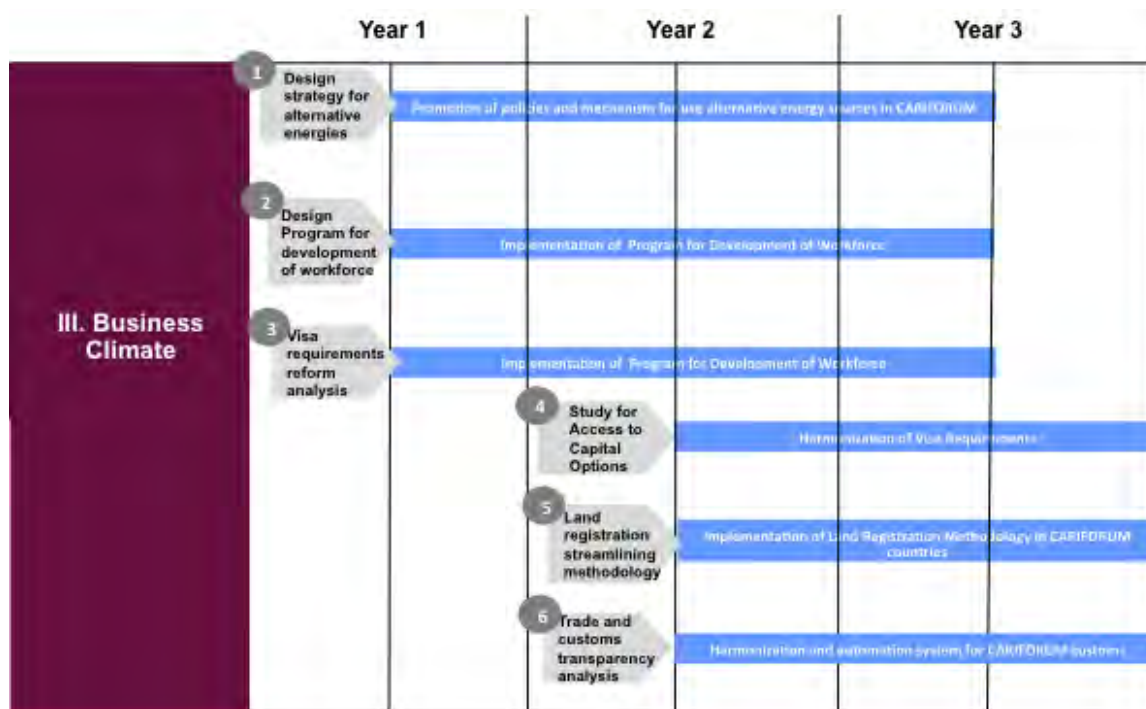
- Visa requirements reform analysis. Harmonization of visa requirements.
- Design strategy for alternative energies. Implement Promotion policies and mechanism for using alternative energy sources in CARIFORUM.
- Design Program for development of workforce. Program implementation for Development of Workforce.
- Study for Access to Capital Options. Promotion of Capital Options Access.

Year 2 and Year 3

- Land registration streamlining methodology. Implementation of land registration methodology in CARIFORUM countries.
- Trade and customs transparency analysis of harmonization and automation system for CARIFORUM customs.

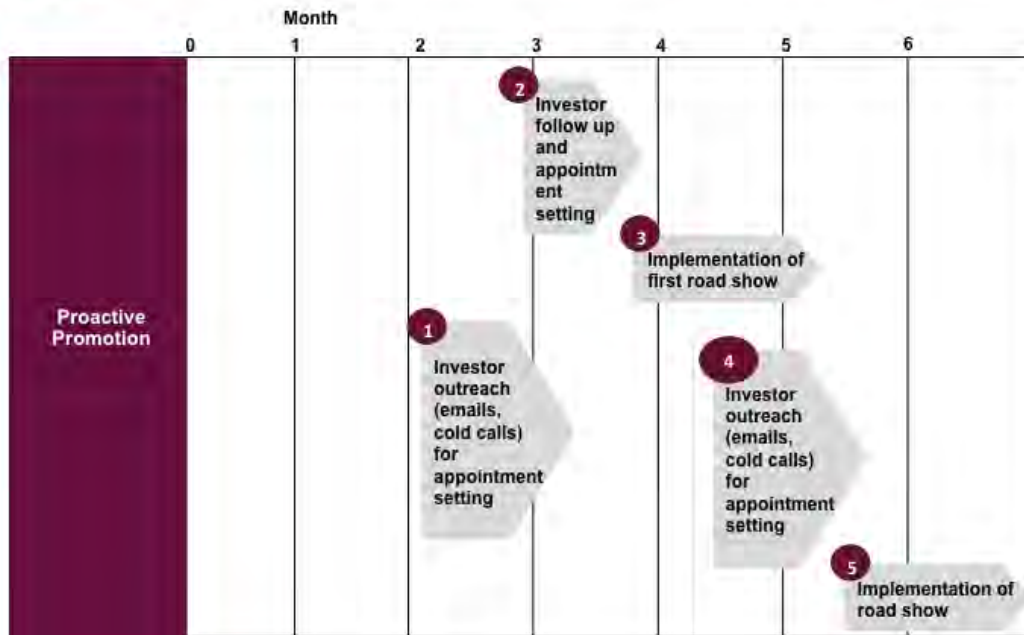
The following chart outlines the action plan





In order to provide an effective startup of these implementation activities, a six months action plan is proposed for the launch of RIPS that will include: investors outreach (emails, cold calls) for appointments starting on the second month of RIPS; investors follow up and visits to the region; implementation of first road show during the fourth month; investors outreach (emails, cold calls) for setting appointment and, implementation of second road show during the sixth month.

A 6 month action plan is proposed for the starting of proactive promotion activities



VII. BUDGET, MONITORING AND EVALUATION INDICATORS

RIPS BUDGET

The budget for the implementation of RIPS has been estimated in US\$ 5,330.000 for a 3 year program, allocated to four main categories:

- Administrative costs (staff and coordination), representing 15.8 percent of the overall budget.
- Operating Costs, representing 14.5 percent.
- Program costs, representing 69.7 percent.
- Program evaluation during Year 2 and 3, representing 1 percent of the overall budget.

The following chart projects the cost and expenses for three years of operation.

Indicative Budget for RIPS

<i>Program cost and expenses (in US\$)</i>				
	Scope / Coverage	Year 1	Year 2	Year 3
Staff and Coordination	<ul style="list-style-type: none"> • Consultant firm/ Caribbean Export 	120,000	120,000	120,000
	<ul style="list-style-type: none"> • Program Director • Promotion Director • Marketing Director • 2 Admin staff 	60,000 60,000 60,000 60,000	60,000 60,000 60,000 60,000	60,000 60,000 60,000 60,000
	TOTAL Staff and Coordination	US\$ 300,000	US\$ 300,000	US\$ 300,000
Operating Costs	<ul style="list-style-type: none"> • Communications • Travel • Office expenses • Office supplies and equipment • Miscellaneous 	120,000 100,000 30,000 15,000 10,000	120,000 100,000 30,000 15,000 10,000	120,000 100,000 30,000 - 10,000
	TOTAL Operating Costs	US\$ 275,000	US\$ 275,000	US\$ 260,000
Program Costs	<ul style="list-style-type: none"> • Content marketing & events • At least 2 breakfast / lunch in 2 target markets • Regional investment climate reforms • Impact Investment program • Publications and advertising • Online and printed • Diaspora Program (include helpdesk) 	400,000 120,000 150,000 500,000 150,000	200,000 120,000 150,000 500,000 150,000	200,000 120,000 150,000 500,000 150,000
	TOTAL Operating Costs	US\$ 1,320,000	US\$ 1,120,000	US\$ 1,120,000

Indicative Budget for RIPS (cont'd)

Program cost and expenses (in US\$)				
	Scope / Coverage	Year 1	Year 2	Year 3
Program Evaluation	• Impact assessment	-	30,000	30,000
TOTAL YEARLY COST		US\$ 1,895,000	US\$ 1,725,000	US\$ 1,710,000

Total Cost: US\$ 5,330,000

This is an indicative budget for the RIPS and its administrative activities. It is important to keep in mind that although some costs such as the administrative and operational costs are not flexible and to the extent possible are critical for the proper implementation of RIPS, Caribbean Export has the flexibility to adjust the budget downward in the event not all the funding could be obtained.

Under this scenario, the consulting team suggests an alternative budget, covering the minimum activities for each of the components. This alternative budget will include; for the Proactive Promotion component, one sector for proactive promotion; for the Regional Investment Climate, one initiative addressing the improvement of the business climate in the region; and the Virtual Marketing Content Vortex. The next table shows this breakdown.

Alternative Budget for RIPS

Program cost and expenses (in US\$)				
	Scope / Coverage	Year 1	Year 2	Year 3
Staff and Coordination	• Caribbean Export			
	• Program Director • Marketing Director TOTAL Staff and Coordination	120,000 60,000 US\$ 180,000	120,000 60,000 US\$ 180,000	120,000 60,000 US\$ 180,000
Operating Costs	• Communications • Travel • Office expenses • Office supplies and equipment TOTAL Operating Costs	80,000 50,000 30,000 US\$ 160,000	80,000 50,000 30,000 US\$ 160,000	80,000 50,000 30,000 US\$ 160,000
Program Costs	• Content marketing & events • At least 2 breakfast / lunch in 2 target markets • Regional investment climate reforms • Publications and advertising • Online and printed TOTAL Operating Costs	100,000 120,000 100,000 US\$ 320,000	100,000 120,000 100,000 US\$ 320,000	100,000 120,000 100,000 US\$ 320,000
TOTAL YEARLY COST		US\$ 660,000	US\$ 660,000	US\$ 660,000

Total Cost: US\$ 1,980,000

MONITORING AND EVALUATION

In order to be able to properly track the major activities of RIPS and assess the impact of the project, following is a description of: (i) the monitoring and evaluation framework for RIPS and (ii) a tool to track the activities and impact of the sector - based investor targeting.

CARIFORUM Regional Investment Promotion Strategy (RIPS) – Logical Framework

Intervention logic	Objectively verifiable indicators	Sources of verification	Important assumptions
Overall objectives	Higher Level Impact		
Increase FDI that promotes sustainable economic development in the region through the implementation of a strategy for the promotion of investment opportunities within CARIFORUM	<ul style="list-style-type: none"> RIPS is operational and all the specific activities of the 2 components have been implemented. As a result of RIPS, FDI into the CARIFORUM region has increased and an active pipeline of leads is being developed. At least 2 leads for each of the CARIFORUM countries participating in RIPS have been identified. At least 3 initiatives for the Improvement of the Investment Climate in the region fully implemented (studies finished) with recommendations adopted by at least a third of the CARIFORUM countries. 	<ul style="list-style-type: none"> Results of internal and external assessments. Ditto Ditto Ditto 	<ul style="list-style-type: none"> FDI is expected to have a significant impact on the CARIFORUM countries' development levels in terms of jobs creation and poverty levels reduction.
Specific objectives	Outcomes		
1. Increase FDI flows into the region (Proactive Promotion Component)	<ul style="list-style-type: none"> More than 8 % CARG between 2015-2017 (3 years) of FDI flows into the region. Number of FDI leads secured as reported by RIPS (target= at least 30) 	<ul style="list-style-type: none"> Caribbean Export reports. Ditto 	<ul style="list-style-type: none"> 2009 – 2013 FDI CARG into CARIFORUM is about 6%. Wealth creation is broad-based Leads is at least 2 for each CARIFORUM country.
2. Improve the Investment Climate in the region (Investment Climate Component)	<ul style="list-style-type: none"> No. of Investment Climate initiatives completed 	<ul style="list-style-type: none"> Caribbean Export reports. 	<ul style="list-style-type: none"> Cross cutting initiatives addressing constraints to investments in the region

RIPS Results Framework

Project Development Objective: Increase FDI that promotes sustainable economic development in the region through the implementation of a strategy for the promotion of investment opportunities within CARIFORUM

Outputs/Outcomes/Objectives	Level of Indicator	Unit of Measure	Baseline	Target	Data Sources
Specific Objective 1: Increase FDI flows into the region					
Result Area 1.1: Implementation of sector based targeting campaigns					
Indicator 1: Long list of companies in data base (telephone/mail contacts)	Input	Total # of companies in data base (all 4 prioritized sectors)	0	2800 total (700 per sector) Dec. 2015	Caribbean Export Report
Indicator 2: Road shows implemented	Input	# of road shows	0	6 total Dec. 2017	Road shows report
Indicator 3: # of qualified investors	output	# of companies	0	1400 total (700 per sector) Dec. 2015	Caribbean Export Report
Indicator 5: Number of one on one presentations conducted to potential investors	output	# of presentation meetings	0	200 total by Dec. 2017	Road shows report
Indicator 6: Number of visits from investors (proactively contacted) to CARIFORUM countries	Output	# of visits	0	40 total by Dec. 2017	Caribbean Export Report
Result Area 1.2: Impact Investors					
Indicator 1: # of qualified Impact Investors in database	input	# of impact investors	0	20 total by Dec. 2017	Caribbean Export Report
Indicator 2: # of impact investors prospecting business / investment opportunities in the region		# of impact investors		4 total by Dec. 2017	Caribbean Export Report
Result Area 1.2: Diaspora					
Indicator 1: # of CARIFORUM diaspora members in database	input	# of diaspora members	0	5000 total by Dec. 2017	Caribbean Export Report
Indicator 1: # of CARIFORUM diaspora members prospecting business / investment opportunities in the region	Outcome	# of diaspora members	0	500 total by Dec. 2017	Caribbean Export Report
Specific Objective 2: Improve of Investment Climate in the region.					
Result Area 2:					
Indicator 1: # of investment climate initiatives (studies) conducted	Input	investment climate studies	0	6 total by Dec. 2017	Consultant reports
Indicator 2: # of Cariforum countries that has implemented cross cutting recommendations of investment climate initiatives	Outcome	CARIFORUM countries that have adopted investment climate recommendations	0	5 total by Dec. 2017	Caribbean Export Report

Below is a table for the tracking of the sector-based proactive promotion activities⁷.

RIPS M&E Indicators		for FDI Attraction into CARIFORUM			
Indicator	Sub-sector	Base Line 2014	Result 2015	Result 2016	Result 2017
LEADS MANAGED BY RIPS					
# of Leads Tourism Sector	Beach Tourism (massive & boutique)	0			
	Goetourism	0			
	Adventure Tourism	0			
	Yatchs and sailing	0			
INVESTMENT DECISION- MAKING PROCESS					
# of total visits to CARIFORUM		0			
# of investment projects in the pipeline		0			
# of investment decisions made		0			
# of investment project established		0			
# of reinvestment (established projects)		0			
INVESTMENT, REINVESTMENT AND JOBS					
Overall US\$ Investments in all sectors (including not only RIPS' sectors but any other sector)		\$ -			
US\$ investment attracted into RIPS' sectors		\$ -			
US\$ investment attracted into the Tourism sector					
Overall # of Jobs created in all sectors (including not only RIPS' sectors but any other sector)		0			
Overall # of Jobs created in RIPS' sectors		0			
Overall # of Jobs created in the Tourism sector					
US\$ reinvestment in Tourism sector					
US\$ reinvestment in RIPS' sectors		\$ -			
Definitions					
Lead: Qualified foreign company having a serious, real and actual interest in CARIFORUM					
Visit: Arranging meetings and providing support and information to foreign investors during their visit to CARIFORUM					
Investment decisions made: Investment commitment or letter of intend					
Reinvestment: Expansions made after establishment of original project					

⁷ The Excel file containing this table for each of the 4 prioritized sector is attached to this report.

VIII. ANNEX

Annex 1: Summary of Priority Industries Identified by CARICOM States

Sector and Industry	Countries
ENERGY:	<i>Dominica, Grenada</i>
Petroleum & Natural Gas	<i>Guyana</i>
Exploration, Production, Refinery	
Upstream and Downstream Goods & Services	<i>Trinidad & Tobago</i>
Indigenous Energy Resources	<i>Guyana</i>
Natural Gas, New & Renewable Sources	<i>Dominica, Guyana</i>
MANUFACTURING:	<i>Antigua & Barbuda, Barbados, Guyana, Haiti, Jamaica, St Lucia, St Vincent & Grenadines, Suriname, Trinidad & Tobago</i>
Energy-based	
Agro-based	<i>Antigua & Barbuda, Bahamas, Belize, Dominica, Grenada, Guyana, St Vincent & Grenadines,</i>
Mineral-based	<i>Guyana, Jamaica, Suriname</i>
Food	<i>Bahamas, Grenada, Guyana,</i>
Building material	<i>Guyana, St Vincent & Grenadines,</i>
Furniture	<i>Guyana, Suriname</i>
Handicraft	<i>Antigua & Barbuda, Guyana</i>
AGRICULTURE, FORESTRY & FISHING	<i>Antigua & Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, St Kitts & Nevis, St Lucia, St Vincent & Grenadines, Suriname, Trinidad & Tobago</i>
TOURISM	<i>Antigua & Barbuda, Bahamas, Barbados, Dominica, Grenada, Guyana, Haiti, Jamaica, St Kitts & Nevis, St Lucia, St Vincent & Grenadines, Suriname, Trinidad & Tobago</i>
Agriculture & Agro-Industries	
Agro-Tourism	<i>Antigua & Barbuda</i>
Culinary Tourism	
Eco-Tourism	<i>Antigua & Barbuda, Dominica, Guyana, St Lucia, St Vincent & Grenadines, Suriname</i>
Diasporic Tourism	
Health & Wellness Tourism	<i>Antigua & Barbuda, Barbados, Grenada, Jamaica,</i>
Heritage & Adventure Tourism	<i>Dominica, Guyana, St Lucia, , Suriname</i>
Entertainment Tourism	<i>Dominica, St Lucia, St Vincent and Grenadines</i>
Education Tourism	
Yachting Tourism	<i>Antigua & Barbuda, Jamaica, St Lucia, St Vincent & Grenadines, Trinidad & Tobago</i>
Sport Tourism	<i>Antigua & Barbuda, Guyana, Jamaica, St Lucia</i>

<i>Sector and Industry</i>	<i>Countries</i>
SERVICES:	<i>Jamaica, Suriname, Trinidad & Tobago</i>
Information	<i>Antigua & Barbuda, Belize, Grenada, Jamaica, St Kitts & Nevis, St Vincent & Grenadines, Suriname</i>
Energy-related	
Culture, Entertainment and Sport	<i>Antigua & Barbuda, Barbados, Belize, Dominica, Jamaica, St Vincent & Grenadines, Trinidad & Tobago</i>
Education	<i>Barbados</i>
Accounting	
Legal	<i>Barbados</i>
Engineering	<i>Dominica</i>
Architectural Drafting	<i>Dominica</i>
Financial	<i>Bahamas, Barbados, Belize, St Kitts & Nevis, St Vincent & Grenadines</i>

Source: Extract from Submission from University of West Indies (2014).

Annex 2. Summary of Projects being Executed in CARICOM Member States by Compete Caribbean

	Project Description	Member States	Timeframe
Investment Promotion and Increased Competitiveness	Increasing investment attraction in high growth sectors.	Antigua & Barbuda	Q 2 – 2015
	Support for implementation of updated Investment Promotion Strategy	Dominica	Q 2 – 2015
	Increase FDI flows to sectors with potential to develop highly productive capacities	Jamaica	2012
	Increased public-private dialogue on issues of competitiveness and growth through support to Economic Development Board and Competitiveness and Innovation Council	Jamaica	Q 4 – 2014
	Support legal and institutional framework and corporate governance model to facilitate private investment through a Public Private Partnership programme	Trinidad & Tobago	Q 4 -2014
	Facilitation of investment opportunities through creation of manual and online portal for Investment Authority	Bahamas	Q 4 – 2014
	Promote increased public-private dialogue on competitiveness through Competitiveness Council	Belize	2016
	Improving access to finance and streamlining business registration and bankruptcy processing	Jamaica	Q 2 – 2015
	Improving competitiveness with coordinated approach through establishment of formal, effective, inclusive and sustainable mechanism for public private dialogue.	St Lucia	Q 2 – 2015
Growth and Development	Support development of institutional framework to promote growth and development of SMEs.	Bahamas	Q 4 – 2014
	Stimulating business by strengthening institutional framework and national capacities to attract investment, increase exports and	Belize	Q 4 – 2014

	Project Description	Member States	Timeframe
of SMEs	develop SMEs.		
	Improve access to finance for SMEs through establishment of a collateral registry	Suriname	TBC
Agriculture	Increase economic viability of agriculture sector	Grenada	TBC
	Increase contribution of value added in Agri-business sector	Grenada	Q 3 -2014
Facilitating Business	Facilitating business through alternative dispute resolution mechanisms	Barbados	Q 4 – 2014
	Facilitating international business and tourism through more efficient immigration services		
	Promote economic growth through (i) a mapping and re- engineering of planning approval, monitoring and enforcement process for development applications; and (ii) drafting of venture capital legislation	Jamaica	Q 3 – 2014
	Improving investment climate through identification of key business climate reforms that are aligned with the WB Doing Business Report recommendations	St Kitts & Nevis	Q 3 – 2014
	Institutional strengthening of investment agency	St Vincent & Grenadines	TBC
	Support establishment of framework to coordinate implementation of business climate reform projects and upgrade the human resource capacity on issues related to private sector development	Suriname	2014
	Support development of Single Window	Antigua & Barbuda	Q 2 – 2015
OECS Integration	Improving the ease of trading across borders in the OECS by supporting implementation of regime for Free Circulation of Goods	Regional	Q 4 – 2015

	Project Description	Member States	Timeframe
	Increased integration and growth in OECS	Regional	Q 4 – 2015
Tourism	Review of tax and incentive regimes, and develop new regimes that are WTO-compliant – Tourism Incentives Development Bill	Dominica	Q 3 – 2014
	Support implementation of strategies to expand medical and wellness tourism sectors	Jamaica	Q 2 – 2015

Source: Submission from Caribbean Compete (2014). Taken from the SECOND REPORT CARICOM COMMISSION ON THE ECONOMY (Established by Twenty-Seventh Meeting of the Bureau of the Conference of Heads of Government) Extract on Business Operating Environment Submitted to the Seventeenth Meeting of the Council for Finance and Planning & Thirty-Fifth Regular Meeting of the Conference of Heads of Government July 2014

Annex 3. CARIFORUM COUNTRIES: EMBASSIES and CONSULATES Abroad

CARIFORUM COUNTRIES: EMBASSIES and CONSULATES Abroad		
COUNTRY	Embassies Abroad	Consulates Abroad
Antigua and Barbuda	<ul style="list-style-type: none"> -Cuba -France -U.K. -U.S. 	<ul style="list-style-type: none"> -Canada -Dominican Republic -France -Germany -India -Italy -Japan -South Korea -Sweden -U.S. (3 Consulates)
Bahamas	<ul style="list-style-type: none"> -Canada -China -Cuba -Haiti -U.K. -U.S. 	<ul style="list-style-type: none"> -Barbados -Belgium -Belize -Canada (2 Consulates) -Chile -China (2 Consulates) -France -Germany -Greece -Haiti -India -Israel -Italy -Jamaica -Monaco -Norway -Panama -Paraguay -Slovakia -Sweden -Trinidad and Tobago -Turkey -U.K. -U.S. (4 Consulates)
Barbados	<ul style="list-style-type: none"> -Belgium -Brazil -Canada -China -Cuba -U.S. -Venezuela 	<ul style="list-style-type: none"> -Argentina -Australia -Austria -Bahamas -Belgium -Belize -Brazil (2 Consulates) -Canada (4 Consulates) -Cayman Islands -China -Colombia -Costa Rica -Cyprus -Dominican Republic -Finland -France -Germany -Guatemala -Guyana -Haiti -Hungary -India -Ireland -Israel -Jamaica -Martinique -Netherlands

Belize	<ul style="list-style-type: none"> -Austria -Belgium -Cuba -Dominican Republic -El Salvador -Guatemala -Honduras -Italy -Japan -Kuwait -Mexico -Taiwan -Thailand -U.S. 	<ul style="list-style-type: none"> -Bahamas -Brazil -Canada -Chile -Costa Rica -Cyprus -Czech Republic -Ecuador -Germany (2 Consulates) -Greece -Grenada -Guatemala -Haiti -Honduras (2 Consulates) -India -Ireland -Israel -Italy (2 Consulates) -Jamaica -Lebanon (2 Consulates) -Mexico (3 Consulates) -Netherlands -Nicaragua -Norway -Panama -Philippines (2 Consulates) -Portugal
Dominican Republic	<ul style="list-style-type: none"> -Argentina -Belgium -Brazil -Canada -Cuba -Czech Republic -Ecuador -Egypt -El Salvador -France -Guatemala -Haiti -Honduras -Israel -Italy -Jamaica -Japan -Mexico -Netherlands -Nicaragua -Panama -Qatar -South Korea -Spain -Switzerland -Taiwan -Trinidad & Tobago -U.K. -U.S. 	<ul style="list-style-type: none"> -Antigua and Barbuda -Australia (3 Consulates) -Bahamas -Barbados -Belize -Brazil -Canada -Colombia (3 Consulates) -Guadeloupe -Haiti -Italy -Lebanon -Lithuania -Mexico (3 Consulates) -Monaco -Pakistan -Peru -Puerto Rico (2 Consulates) -Spain (3 Consulates) -U.S. (4 Consulates) -Venezuela
Grenada	<ul style="list-style-type: none"> -Belgium -China -Cuba -U.S. -Venezuela 	<ul style="list-style-type: none"> -Canada (3 Consulates) -China -Dominican Republic -Hungary -India -Italy -Jamaica -Netherlands -Philippines -Slovakia -South Africa -South Korea -Suriname -U.S. (4 Consulates)
Guyana	<ul style="list-style-type: none"> -Belgium -Cuba -Suriname -U.S. -Venezuela 	<ul style="list-style-type: none"> -Antigua & Barbuda -Barbados -Belize -Botswana -Brazil -Canada -Cyprus -Dominican Republic -Greece -Grenada -Israel -Jamaica -Japan -Jordan -Lebanon -Peru
Haiti	<ul style="list-style-type: none"> -Argentina -Bahamas -Belgium -Brazil -Chile -Colombia -Cuba -Dominican Republic -France -Germany -Italy -Jamaica -Japan -Mexico -Panama -Spain -Taiwan -U.S. -Venezuela 	<ul style="list-style-type: none"> -Canada -Dominican Republic -Guadeloupe -Guyana -Netherlands -U.S. (4 Consulates)

Jamaica	<ul style="list-style-type: none"> Argentina Bahamas Belgium Brazil Chile Colombia Cuba Dominican Republic France Germany Italy Jamaica Japan Mexico Panama Spain Taiwan U.S. Venezuela 	<ul style="list-style-type: none"> Antigua & Barbuda Argentina Australia Bahamas Barbados Belize Bermuda Bolivia Botswana Brazil Canada (6 consulates) Cayman Islands Chile China Colombia Costa Rica Cyprus Czech Republic Denmark Dominica Dominican Republic (2 consulates) Ecuador (2 consulates) El Salvador Ethiopia Finland France (2 consulates) Germany (2 consulates) Greece Grenada Guatemala Guyana Haiti Honduras Hungary India Indonesia Ireland Israel Italy Japan Jordan Lebanon Malaysia Monaco Nicaragua Netherlands Nigeria Norway Panama Paraguay Peru Philippines Poland Singapore South Africa South Korea Spain (2 consulates) St. Kitts & Nevis St. Lucia St. Vincent & Grenadines Suriname Sweden Switzerland Thailand Trinidad & Tobago Turkey U.S. (9 consulates)
Saint Lucia	N/A	N/A
Saint Vincent & the Grenadines	<ul style="list-style-type: none"> U.K. U.S. 	None
St. Kitts & Nevis	<ul style="list-style-type: none"> Belgium Jamaica U.K. U.S. 	<ul style="list-style-type: none"> Canada
Suriname	<ul style="list-style-type: none"> U.S. 	<ul style="list-style-type: none"> U.S.
Trinidad & Tobago	<ul style="list-style-type: none"> Belgium China Costa Rica U.S. Venezuela 	<ul style="list-style-type: none"> Canada U.S. (2 consulates)

Annex 4. CARIFORUM countries FDI inflows 2009 - 2013

Country	2009	2010	2011	2012	2013	FDI Increase / Decrease Comparison 2012 vs. 2011	FDI Increase / Decrease Comparison 2013 vs. 2012	COMPOUND ANNUAL RATE OF GROWTH - CARG 2009 - 2013	COMPOUND ANNUAL RATE OF GROWTH - CARG 2002 - 2012
Belize	113.1	99.8	98.5	194.0	89.0	95.5	- 105.0	-5.82%	22.47%
Guyana	208.0	269.6	247.0	276.0	240.0	29.0	- 36.0	3.64%	20.27%
Suriname	- 93.4	- 247.7	69.8	62.0	113.0	- 7.8	51.0	N/A	N/A
Antigua and Barbuda	84.6	101.3	68.3	134.0	138.0	65.7	4.0	13.00%	5.33%
Bahamas	873.1	1 147.6	1 533.3	1 073.0	1 111.0	- 460.3	38.0	6.21%	11.74%
Barbados	247.1	289.7	725.0	516.0	376.0	- 209.0	- 140.0	11.06%	20.37%
Dominica	43.0	24.9	14.2	23.0	18.0	8.8	- 5.0	-19.58%	1.06%
Dominican Republic	2 165.4	1 896.3	2 275.0	3 142.0	1 991.0	867.0	- 1 151.0	-2.08%	13.11%
Grenada	104.0	63.6	45.2	34.0	78.0	- 11.2	44.0	-6.95%	-5.10%
Haiti	38.0	150.0	181.0	156.0	190.0	- 25.0	34.0	49.58%	39.23%
Jamaica	540.9	227.7	218.2	490.0	567.0	271.8	77.0	1.19%	0.23%
Saint Kitts and Nevis	136.0	118.8	111.6	94.0	112.0	- 17.6	18.0	-4.74%	1.48%
Saint Lucia	151.9	126.6	116.3	80.0	88.0	- 36.3	8.0	-12.76%	3.42%
Saint Vincent and the Grenadines	111.0	97.4	85.8	115.0	127.0	29.2	12.0	3.43%	12.94%
Trinidad and Tobago	709.1	549.4	1 831.0	2 453.0	1 713.0	622.0	- 740.0	24.67%	11.99%
TOTAL CARIFORUM	5 431.9	4 915.0	7 620.2	8 842.0	6 951.0	1 221.8	- 1 891.0	6.36%	11.59%

Source: UNCTAD, FDI/TNC database (www.unctad.org/fdistatistics).