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An Update on the DR - CARICOM issue

By Aisha Stewart

Trinidad and Tobago signed the Economic Partnership Agreement (EPA), along with most of its CARIFORUM counter parts on the 15th October, 2008. The region has since shifted focus to, Economic Partnership Agreement (EPA) implementation; specifically clarifying its relationship with the Dominican Republic (DR). In the EPA both DR and CARICOM gave greater binding commitments than what existed in previous Free Trade Agreements (FTA).

The Regional Preference Article of the agreement stated that any preference that CARIFORUM has given to the European Union must be given to each other. This refers to the market access commitments in services which are not present in DR - CARICOM FTA, but are given under the EPA.

However, in order for Trinidad and Tobago businessmen to capitalize on new opportunities, arising from the EPA, two institutional processes must take place. First an agency must be charged with the mandate of being CARIFORUM Coordinator. Second a common approach to implementing regional preferences must be determined. Both these issues were discussed at a recent Special Council for Trade and Development meeting, but no decisions were

made. This process must be completed this year to give effect to the treaty.

Approach to Implement the Regional Preference Article

- DR Representatives believed that Article 238 the regional preference clause of the EPA should be the basis to accelerate liberalization. Article 238 states:
 1. *Nothing in this Agreement shall oblige a Party to extend to the other Party of this Agreement any more favourable treatment which is applied within each of the Parties as part of its respective regional integration process.*
 2. *Any more favourable treatment and advantage that may be granted under this Agreement by any Signatory CARIFORUM State to the EC Party shall also be enjoyed by each Signatory CARIFORUM State.*
- CARICOM representatives believe that Article 238 is inefficient and does not give legal cover to the arrangement
- To use only Article 238 will be in conflict with WTO rules
- They believe that the current CARICOM – DR FTA should be the basis to accelerate liberalization
- Lawrence Placide Director of the International Trade Negotiation Unit agrees with CARICOM representatives' position that using Article 238 will be an inefficient basis to accelerate liberalization.

As CARIFORUM governments grapple with implementation of the institutional aspects of the agreement, the CARIFORUM business community has been looking at the strategic opportunities the agreement presents. The Chamber in fulfilling its mandate, 'to be a leader in wealth generation for its members' has been looking at lucrative potential opportunities. The DR market, with a population of 9.8 million, presents such opportunities.

TRADE REQUESTS AND OPPORTUNITIES

Sotra Anchor & Chain, is a member of the Sotra Group and is based in Norway. The firm has one of the largest stocks of anchors and chains in the world. They have warehouses and yards in Norway, Holland, Scotland and China. They offer services to ships, offshore units, aquaculture and shipyards at any port world-wide. For further information, you may contact: Jay Vinenes at (+47) 56 32 6850 or e-mail jan@sotra.net, or visit www.sotra.net

MARK YOUR CALENDAR!

LOCAL EVENTS

The STCIC CSR Leadership Awards 2009.

This award aims to recognize CSR initiatives in any small or medium- sized business in Trinidad and Tobago.

To enter, log onto: www.csr.stcic.org

All submissions will be done online.

Deadline for entries: 26th June, 2009

Awards Ceremony: 18th September, 2009

Telephone: 652-5613

Fax: 653-4983

E-mail: csr@stcic.org.

Website: www.csrstcic.org

"ASYCUDA World" Training Customs Declaration

Module

Date: 8th – 10th July 2009

Venue: BorderCOM International, 141 Eastern Main Road, St Augustine

Contact: Ms. Sumintra Seeram or Ms Rianna Paul

Tel: (868) 637-6966 ext. 245 or 288

Fax: (868) 637-7425

E-mail: events@chamber.org.tt

Website: www.chamber.org.tt

The Ideas Forum: Understanding & Surviving the Economic Downturn

Date: 9th July, 2009

Venue: Lok Jack GSB Complex, Max Richards Drive, Uriah Butler Highway North West, Mount Hope

Contact: Ms. Brianna Mc Carthy

Tel: (868) 645-6700 ext 317

E-mail: B.McCarty@gsb.tt

LOCAL EVENTS

Information Technology Security

Date: 24th July, 2009

Venue: Leon Agostini Conference Hall, Chamber Building, Columbus Circle, Westmoorings.

Contact Ms. Cheryl Lyn Kurban

Tel: (868) 637-6966 ext. 228

Fax: (868) 637-7425

E-mail: events@chamber.org.tt

Website: www.chamber.org.tt

Blazing Service

Date: 27th-28th July, 2009

Venue: TRAINMAR Centre, Top Floor, DHL Building Corner Churchill Roosevelt Highway & Chanka Trace, El Socorro.

Telephone: 638-5858

Fax: 638-8677

E-mail: Leah.de.Souza@trainmar-caribbean.org

Website: www.trainmar-caribbean.org

Professional Presentation Skills

Date: 29th-30th July, 2009

Venue: TRAINMAR Centre, Top Floor, DHL Building Corner Churchill Roosevelt Highway & Chanka Trace, El Socorro.

Telephone: 638-5858

Fax: 638-8677

E-mail: Leah.de.Souza@trainmar-caribbean.org

Website: www.trainmar-caribbean.org

INTERNATIONAL EVENTS

SAITEX 2009 - Southern African International Trade Exhibition

Date: 19th-21st July, 2009
Venue: Gallagher Convention Centre, Richards Drive, Midrand, Johannesburg, South Africa.
Telephone: + (27)-(11)-7837250
Fax: + (27)-(11)-7837269
Website: www.biztradeshows.com/trade-events/saitex.html

39th House and Gift Fair, South America

Date: 15th – 18th August, 2009
Venue: Expo Center Norte, Sao Paulo, Brazil
Telephone: 011-4604-2110
Fax: 011- 2614-8194
E-mail: anandpseth@fieo.org

East – West Business Forum

Date: 14th – 18th August, 2009
Venue: Prague, Brno, Ostrava, Czech Republic
Telephone: +420 257 217 744
E-mail: salini@icc-cr.cz
Website: www.icc-cr.cz

28th Indian Handicrafts & Gift Fair

Date: 10th-13th October 2009
Venue: India Expo Centre & Mart, New Delhi, India
Telephone: + 91-11-26135256/57/58
Fax: + 91-11-26135518/19
E-mail: epch@vsnl.com
Website: www.epch.com

China Import and Export Fair (Canton Fair)

Date: 15th-19th October 2009
Venue: China Import and Export Fair Complex, No. 380, Yuejiang Zhong Road, Guangzhou, China
Telephone: + 020-26088888
Website: www.cantonfair.org.cn

17th Delhi International Leather Fair (DILF)

Date: 23rd-25th October 2009
Venue: Pragati Maiden, New Delhi, India
Telephone: + 91-11-23371390
Fax: + 91-11-23371874
E-mail: kcrouit@itpo-online.com
Website: www.delhileatherfair.com

Global Expo Botswana 2009

Date: 4th- 7th November 2009
Venue: Botswana Conference and Exhibition Center, Gaborone, Botswana
Telephone: +267-3181931
Fax: +267-3170423
E-mail: globalexpotswana@bedia.co.bw
Website: www.globalexpo.co.bw

STUDY SOON TO COMMENCE: "THE ECONOMIC IMPACT OF HIV/AIDS ON BUSINESSES IN TRINIDAD AND TOBAGO"

Mr. Nigel Gaines is conducting a study on the topic above. This study is funded by UNAIDS. The Health Economics Unit of the University of the West Indies provides technical support and guidance on the study.

The aim of the study will be to estimate the impact of HIV/AIDS on the performance and profitability of one area of the business community in Trinidad and Tobago. The basis of the study is hinged on the available literature, which shows that in locations where the HIV/AIDS epidemic is severe, businesses are affected, first in respect of their levels of production and second, in their eventual levels of profitability. The mechanism at work is one which shows that HIV/AIDS can affect both the revenues and the costs of a business. Since revenues would generally fall when output is reduced and cost would generally increase when unplanned changes in the capital/labour ratio take place, the negative effect of HIV/AIDS is almost axiomatic. When the epidemic is such that the number of working people affected or the number of consumers affected is small, the impact on output and profitability may in turn be small. It is to be assumed that with the expected progression of the epidemic, businesses may seek to make adjustments which may mitigate the impact on performance even if the epidemic becomes full blown. Therefore, it is quite possible that in countries where the incidence rates are low, the epidemic will not appear to have any impact whatsoever on business performance. Hence, this study seeks to document the state of play between HIV/AIDS and business performance and profitability in the Caribbean today.

Methodology

The study will identify a sector of the business community in one (1) country in the Caribbean region where the epidemic is relatively pronounced. The targeted country will be Trinidad and Tobago. Since it is not likely that the identity of HIV/AIDS-infected employees will be made available by employers, an assumption will be made that businesses that operate in areas where the HIV/AIDS prevalence rate is high are likely to have infected employees working in their organizations.

In the first instance therefore, the study will identify areas with high HIV/AIDS prevalence rates and select a sample of the businesses located in these areas for investigation. For instance, the UNGASS report for Trinidad and Tobago for the period January 2003 to December 2005 notes that although the positive cases and AIDS related deaths for the county of St. George (the most populated county) decreased for the period under review, most HIV positive reported cases and

AIDS deaths were in that area. Thus, the study would be guided by such information and businesses in the county of St. George would be sampled. Enshrined in this methodology would be the assumption that a specified percentage of the employees of the selected businesses live and work within that county.

The study will, among other things, accumulate data on output and profitability of the businesses in the selected areas and apply appropriate statistical methods to determine the causal relationships between the performance variables. However, at the onset it will not be possible to specify whether time series analysis or cross-sectional analysis will be used as this will be dependent on the data collected. An attempt will be made to determine whether observed changes in performance can be related to the presence of these businesses in high-rate areas. Key findings will be packaged in a manner that is ready for dissemination and publication.

Terms of Reference

The following activities are included in the terms of reference of the study:

1. *Execute a detailed review of the peer reviewed and other literature on the relationship between HIV/AIDS and the performance of business enterprises;*
2. *Suggest the possible channels through which HIV/AIDS is likely to have an impact on business in Trinidad and Tobago*
3. *Carefully develop the demographic, worker-mobility and industrial relations profile of one of the key sectors or industries in Trinidad and Tobago.*
4. *Develop a template for estimating the impact of HIV/AIDS on the sector or industry selected.*
5. *Using this template estimate the expected impact of HIV/AIDS on the sector or industry selected.*
6. *Prepare a report on the study for dissemination to relevant stakeholders.*

Duration

The study is to be performed over the period July 2009 to August 2009.

For more information contact:

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