



BARBADOS PRIVATE SECTOR TRADE TEAM

A Publication of the Barbados Private Sector Trade Team

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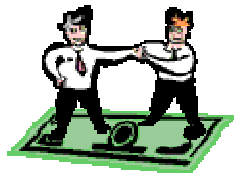
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1. PSTT to Host Business Forum on CSME

In keeping with its mandate to inform the private sector of developments taking place in regional and international trade negotiations the PSTT will be launching its series of annual private sector forums. The purpose of these workshops is two-fold. First, they are intended to keep the private sector up-to-date with developments taking place in the various trade negotiations. Second, they provide an opportunity for the

PSTT to receive authentic inputs from the private sector, which will assist us in making meaningful contributions to Barbados' trade officials.



This year the PSTT will be focusing on the CARICOM Single Market and Economy and the CARIFORUM/EU Economic Partnership Agreement Negotiations. The CSME business Forum will be held on April 12 from 8am-2pm and April 13 from 8am-12noon at the Sherbourne Conference Centre. Our intention is to bring together government officials, academia and the private sector interests to discuss matters relating to the development of the single economic space that is envisioned in the Revised Treaty of Chaguaramas. Topics will include Facilitating Business within the CSME; Dispute Settlement under the CSME; Revisiting the Business Model for the Manufacturing Sector; Enhancing the

Provision of Services within the CSME and The impact of the CSME on the Local Agricultural Sector.

To date, this initiative has the support of the Barbados Chamber of Commerce and Industry, the Barbados Manufacturers' Association, the Barbados Coalition of Services Industries, the Barbados Agricultural Society and the Barbados Hotel and Tourism Association. This support, along with some very distinguished speakers and panellists; including the Rt. Hon. Owen Arthur, the Hon. Mia Mottley, Senators Lynette Eastmond and Andrew Bynoe, Ben Arrindell, Bobby Morris, Ivor Carryl and Timothy Odle, will ensure that these sessions are practical and meaningful as Barbados' businesses, armed with current information on the CSME, seek to make use of this evolving economic space.

Registration closes April 10, 2006.
Registration payment on forum days from 7:30 to 7:55 a.m. only.

2. PSTT Launches Internet Marketing and Distribution Survey

The Barbados Private Sector Trade Team (PSTT) has launched a survey to explore how internet marketing and distribution is being handled by Barbadian accommodation providers. Information is also sought on local accommodation providers' relationship with European tour operators.

The survey will gather information on the evolution of distribution strategies of Barbadian tourism accommodation providers and it will reveal their views on emerging trends in distribution strategies. Information on technological advances employed to improve the efficiency and economic viability of distribution will be gathered as will

information on best and worst practices in online distribution and marketing. The survey also aims to gather information on anti-competitive practices affecting accommodation providers' distribution strategies as well as the level of dependency of Barbadian accommodation providers on European tour operators.

The overall findings of the survey will be provided to hoteliers to assist them in improving their competitiveness by recommending distribution strategies that will reduce costs while increasing bookings. Important stakeholder insight on these topics will be used by the PSTT to inform Barbados' trade negotiators of issues of concern to

Barbadian accommodation providers so that negotiators are able to make informed submissions to international trade discussions.

Please contact the PSTT natalie.decaires@tradeteam.bb if you

require any further information on this initiative. Accommodation providers are kindly asked to complete and return their survey forms by Tuesday, April 18th, 2006, to Fax # (246) 228-8902 or to the afore-mentioned e-mail address.



3. Update on CARICOM Bilateral Trade Agreements

Since 1965, our regional integration process has been deepening and widening. The deepening of our integration process refers to the development of instruments that enhance the integration process and is reflected in the establishment of CARIFTA, the Common Market and now the CARICOM Single Market and Economy. Widening refers to the inclusion of other countries in our integration process – such as the accession of Suriname to CARICOM. The deepening and widening of our integration process is also reflected in the development of economic relations with other countries that are not formal Members of CARICOM. One of the mechanisms used to facilitate this is the development of Free Trade Agreements with other countries within the Hemisphere. This article briefly reviews the status of these Agreements and identifies possible Free Trade Agreements that CARICOM may negotiate in the future.

To date CARICOM has established Free Trade Areas with Cuba, Colombia, Costa Rica, Dominican Republic and Venezuela. The CARICOM/Venezuela Agreement was traditionally a non-reciprocal but it is anticipated to become reciprocal over time. With respect to CARICOM/Cuba Agreement, a number of countries are yet to fully implement this Agreement.

This Agreement only covers trade in goods, however, it is anticipated that it

will be broadened to cover services in the future.

Although the CARICOM/Costa Rica Agreement was signed in 2004, a number of CARICOM Member States are yet to ratify it. This Agreement covers trade in goods and it is expected that there will be a phased reduction of duties under this arrangement. The CARICOM/Colombia Agreement also covers trade in goods and has been in operation for some time. Finally, CARICOM also has an agreement with the Dominican Republic. While this agreement covers trade in goods, services and investment, it is expected that this will also be amended to deepen the rules services as CARICOM and the Dominican Republic (CARIFORUM) enter into an Economic Partnership Agreement with the European Union.

The African Caribbean and Pacific Nations have traditionally benefited under the ACP/EU Trade Partnership known as the Cotonou Agreement (and previously as LOME Agreement). Under this agreement CARICOM Manufacturers received preferential market access. This agreement is however expected to expire in 2008 and therefore CARICOM along with the Dominican Republic (CARIFORUM) is in the process of negotiating a new agreement with the EU. It is expected however that this agreement will be more reciprocal in scope as opposed to preferential. Furthermore, it is expected that the Agreement will include areas that were

not covered in the original agreement – such as services, investment and trade facilitation.

Finally, CARICOM and Canada also have a preferential agreement that allows for our products to enter Canada at preferred rates. In 2005, there was discussion between trade officials on the possible development of a new trade arrangement with Canada that will be more reciprocal and broader in scope to include rules on services, investment etc. However there has been no word on whether the Canadian Government will proceed with negotiations.

Future Agreements

As noted earlier, CARICOM and the Dominican Republic are expected to

conclude an Agreement with the EU. Other possible FTAs that CARICOM may negotiate include with MERCOSUR, Central America and Canada (in light of the fact that the FTAA seems to remain at a stalemate). Bearing this in mind the potential of entering into a similar arrangement with the US should not be discarded as this country has taken the lead in the hemisphere to enter into a number of bilateral Free Trade Arrangements with a number of countries within this Hemisphere.

The PSTT intends to keep the business community abreast of FTA developments as they unfold.



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4. Hoteliers! You Know RevPAR...but What about RevPOV?

The PSTT's ongoing survey of accommodation providers' internet distribution strategies seeks to gather information on the effectiveness of local hoteliers' online booking methods whether by direct booking on their own website or other. Following an analysis of responses to the survey we expect to be able to provide local hoteliers with best practice information on how to maximize their RevPOV – Revenue Per Online Visit - and online bookings in general. In the meantime however we present some tips on how to grow your RevPOV from Keith Paulin, General Manager, Hotel Marketing Workshop.

Do you know the conversion factor for your website, i.e. the number of visitors to your site that go ahead and book a room? RevPOV is the RevPAR alternative for web site revenue benchmarking. To calculate RevPOV take your total DIRECT online revenues and divide it by the total number of visits to your site. Chasing visit growth as your goal is like chasing

occupancy or average rate individually....genuine hotel benchmarking is really about RevPAR and in the online space, it's all about RevPOV.

First and foremost you need to get to the stage where your website has an Online Booking Engine (OBE) that allows site visitors to see real time availability; one that is able to sell a room or package and confirm the sale immediately, whilst the booker is still in the mood to book. If you do not have your own OBE there are a range of third party suppliers that have ready-made booking engines, preferably that can be plugged into a page on your site or one that will open up in a new browser when a visitor clicks on the "Book Now" button. Failing that, your OBE set up should open a new browser and either present some design/colour relationship with your site (reproduce it completely if possible) or very clearly state that this is the booking engine for The Sample Hotel; it should not provide links to other hotels that the OBE company services.

It is important for your OBE to open in a new browser so that, should a customer change his/her mind about booking or make an error and want to start again, your site is still there in the original browser. This way, they can either start again or, they might even go back to basics and pick up the phone and call.

You want to look for ease of use, for you and your team as well as the consumer. OBEs that have easy to create packages are enticing to the customer and lately some also offer value adds just before the final sale for things like fruit platters, wine and cheese or a bottle of bubbly on arrival.

But watch out about getting too complicated...you have got between three and five clicks at the most to finalise a sale online.

There are other factors besides the online booking engine that drive conversion of online visits. Every page on your web site should have either a "book here" or "online enquiry" button. This simple addition has been known to double hotel online revenues.

Create a separate page each for your weekend packages, romantic packages, special offers, promotions, etc, all with

links to your online booking engine – visitors will not scroll down screen upon screen of information. The majority of people buy either a room only or B&B rate online but like to "window shop" to see what else may be available.

Consumers love to read testimonials. Add these to your site, either as a separate page in the navigation bar, or as a snippet at the bottom of each page. You will be surprised the impact that this will have on conversion levels as testimonials raise the confidence level of your online visitor.

The common theme with web site conversion is about quality content; rich, experiential words and images that, just for a moment, touch your customers and take them past the nervousness stage and into the open arms of your booking engine. And not just on your Home Page...on all your pages.

And finally, you need to ask yourself this question about every page on your website is "If I were a potential customer, would I buy that...now?" If not, then you need to keep tweaking the page content.

For more information like this go to www.hotelmarketingworkshop.com



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5. CARIFORUM/EU EPA Negotiations Continue

Technical Negotiations between CARIFORUM and EU Officials on the development of an Economic Partnership Agreement began in earnest in February 2006 in Brussels. This year, negotiations will be in Phase 3 which is an advanced stage of the negotiations. This phase is expected to cover substantial liberalisation issues as well as issues relating to the scheduling

and structuring of the agreement. The broad areas to be covered under the negotiations include agricultural and industrial products, services and investment, legal and institutional issues and other trade-related matters. The next round of substantive negotiations is expected to take place in Barbados during the month of March.

6. WTO Services Negotiations: From Hong Kong to Present

One of the decisions taken by WTO Ministers at the 2005 Hong Kong Ministerial Conference was to advance negotiations on services to ensure that there is an agreement among countries to liberalise services by 2007. In an effort to advance the negotiations Ministers agreed that the bilateral request-offer process should be complemented with a plurilateral request-offer process, whereby groups of countries could request from another

group to liberalise a number of services. In February 2006, a number of plurilateral requests were submitted. It is unclear whether these requests were targeted at CARICOM. This notwithstanding, the requests cover the following services: architecture, construction, telecommunications, audio-visual, logistical, air and maritime transport, legal, computer-related, postal, financial, environmental, energy and education.



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7. Meeting Point

The Meeting Point



PSTT met with members of the Barbados Association of Non-Governmental Organisations (BANGO) at the beginning of the year to update them on the status of negotiations.

Representatives from the distribution sector (food & beverage, automobile, furniture, duty-free, hair, beauty and clothing) highlighted issues affecting the day-to-day running of their businesses and were given a sub-sector specific overview of trade negotiations.

Stakeholders from the Information, Communications and Technology (ICT) sub-sector met with the PSTT and the CRNM to discuss their views on the likely impact of trade liberalisation on them and to hear current trade information.

In March, the Financial Services community (banks, insurance & securities) were treated to a workshop on ACP/EU EPA negotiations with PSTT's visiting consultant-Mrs. Ava Jordan.

The Meeting Point identifies important interactions that the BPSTT has with its stakeholders.



8.

PSTT's CSME Business Forum: Wednesday April 12 & Thursday April 13 at the Sherbourne Conference Centre. Please check our website, www.tradeteam.bb for further details and to register. Deadline for registration is Monday April 10, 2006.

Contact us at: info@tradeteam.bb;
Or call us at (246) 430-6541 or 228-8901

