

Trade and Enterprise Development

The Secretariat has been engaged for some time in assisting governments in developing countries to cope with what has been called a global industrial revolution. This 'revolution', which is linked to the globalisation process, gives developing countries the opportunity to improve their economic growth by creating more competitive enterprises on the one hand, and a more vibrant trade sector on the other. In 1997, Commonwealth Heads of Government placed trade and investment high on the development agenda and reaffirmed their commitment to support programmes in these critical areas which are funded by the CFTC.

Opportunities of the World Trading System

The challenge is to assist member governments to adjust to the trade and enterprise opportunities offered by globalisation. One effective way has been the continued placement in Geneva of a Commonwealth Trade Adviser who has provided advice and guidance to Commonwealth representatives and missions to facilitate their understanding of the complex issues of, and thus their participation in, World Trade Organisation (WTO) negotiations.

Assistance has been provided at national level to developing member states, such as The Bahamas and Tonga, on the accession process to the WTO and the implications for their domestic economies. Barbados received help to create greater

awareness in its public and private sectors on how the WTO functions, and to develop a network arrangement between the government and the private sector on matters relating to the international trading system, thereby speeding up the application of the various agreements.

Publications, such as business guides to the General Agreement on Trade in Services and the Uruguay Round, have been produced for the benefit of all member countries.

Boosting Exports

The Secretariat assists member countries to improve their export performance by responding to requests by governments for assistance in identifying opportunities in trade and investment promotion.

For countries with a strong export base, a range of multi-faceted practical programmes have been launched. These include the preparation of product profiles and the investigation of market opportunities prior to face-to-face, buyer-seller meetings in target markets. Export market development strategies that include reviews of the external trade sector, the institutional framework and required skills are formulated with a view to enhanced competitiveness, and the removal of administrative bottlenecks. Such export promotion programmes have recently been undertaken for Bangladesh, Ghana, Mauritius and Swaziland.

Guides on individual commodities have been published to assist exporters with market entry. Such a guide on medicinal herbs has been produced as part of Secretariat efforts to assist with exports to developed country markets for a range of products in which developing member states have a comparative advantage.

To support national initiatives for export promotion, the Secretariat, in collaboration with the Government of Singapore, organises annually an advanced training course on the various aspects of export market development. Participants are middle-level management officials from export promotion agencies throughout the Commonwealth.



In Sri Lanka, expert assistance in the electronics industry



Bringing business together (*top*) through the Commonwealth Business Network and (*below*) by bringing exporters together with potential customers

Chambers of Commerce are an important tool in the promotion of exports and a pilot scheme launched in 1996 created the Commonwealth Business Network (COMBINET), a web site which links Chambers in the developing member countries through the Internet and provides potential exporters with access to a global market.

Seeking Investors

To improve export performance, countries must invest to enhance their capacity to supply goods for trade. The Secretariat assists countries to create the appropriate policies to increase inward investment and helps to identify foreign investors. In Cameroon, assistance was provided to review and simplify trade, industry and investment policies, and Kenya was helped with the identification of potential East Asian investors who are interested in relocating their operations.

Looking for markets ... the textile industry in Bangladesh



Similarly, Botswana benefited from investment-oriented studies in the following sectors: garments, diamond polishing and jewellery assembly, consumer products and pharmaceuticals. These studies identified areas for further investment.

Four joint venture arrangements and sales collaborations were concluded in an investment promotion programme in Germany, the Netherlands and UK for Indian herbal medicines, and a group of Sri Lankan industry representatives secured joint ventures and initial export business in an investment promotion programme organised in Europe.

Promoting Tourism

Tourism can bring considerable benefits to economies and the Secretariat assists member countries by supporting appropriate development both at national and regional level to stimulate the growth of this industry. A study on the liberalisation of the tourism sector in East Africa made a number of recommendations on the way forward in marketing tourist destinations in Kenya, Tanzania and Uganda. As a result, an East African Tourism Council has been established as part of moves to co-ordinate the industry regionally.

The Southern African Development Community has also received assistance in tourism development and promotion, and more recently in the formulation of tourism protocols for the harmonisation and co-ordination of the industry at regional level. At national level, Jamaica has been assisted in the preparation of a Tourism Master Plan for 1998-2007 and workshops were organised on the development of sustainable tourism in The Bahamas.

Enterprise Development

Promoting industrial co-operation among member countries has been guided by a number of reviews which have stressed the need to focus Secretariat activity in areas which larger agencies do not cover. Activities therefore concentrate on the requirements of small states (*see Chapter 5*); assistance to small or previously disadvantaged groups; small and medium-sized industries; advice on the sourcing, adaptation and transfer of new technology at the enterprise level; practical training; technical and economic analysis to prepare state-owned enterprises for privatisation; strengthening industries in the areas of import substitution; and the development of new products for export markets in the context of structural adjustment programmes.

Assistance includes entrepreneurship promotion, especially for women and disadvantaged sections of the population, and



Assistance in Ghana for a small-scale formulation facility for medicines which are plant-based

the fostering of competitiveness in response to economic liberalisation and globalisation. Technical assistance and advice is now geared to help entrepreneurs produce goods and services that are competitive in the global market place.

At the institutional and macro level, a project for preparing an industrial development strategy for the SADC region was concluded. Other projects involved the rationalisation and

Trade and Investment Access Facility

In 1997, Heads of Government recognised that not all member countries were benefiting equally from increasing global trade and investment. They agreed that a special effort was needed to especially help small states and least developed countries integrate with the emerging global economy.

They asked, therefore, that a Trade and Investment Access Facility (TIAF) be set up. This was launched in December 1997 and is funded by the Governments of Australia, Canada, New Zealand and the UK. It is administered under the terms and conditions that apply to the CFTC.

Sixteen TIAF projects have been completed or are ongoing. They include:

- ❖ investment promotion projects for Indian herbal products and Sri Lankan electronics exporters which



Some countries need special help to integrate with the global economy

yielded sales orders and joint venture agreements with European investors;

- ❖ a seminar at the WTO on pre-shipment inspection which compared country experiences and examined proposed changes to the WTO agreement;
- ❖ expert advice to the Government of The Bahamas on practical implications of accession to the WTO; and

- ❖ assistance to the representatives of the African-Caribbean-Pacific group of developing countries in negotiations with the European Union on arrangements to follow the Lomé IV Convention.

The Secretariat will conduct an independent evaluation study of the impact and effectiveness of the TIAF in 2000.

development of technical information services of the Ministry of Industry in Kenya, and assistance to the Ministry of Industry and Trade in Tanzania for the development of small business policy frameworks. Studies were initiated on the competitiveness of the small and medium-sized enterprise sector in Mauritius and Zimbabwe and a guide on manufacturing competitiveness is being prepared.

Much of the Secretariat's development efforts were directed towards providing practical advice to small and medium-sized enterprises. In the South Pacific, an entrepreneurship development programme for the outer islands of Vanuatu was completed. Technical assistance was provided to women's co-operatives in garment making and handloom weaving in Brunei

Darussalam and Kiribati, and in St Kitts and Nevis, a handicrafts production and training centre was set up to produce souvenir items made from local raw materials. A major project for small-scale brick and roofing tile manufacture in Sierra Leone was launched and assistance was provided for a foundry practice course for technicians at the Faculty of Engineering at the University of the West Indies.

These projects were first evaluated technically by Secretariat staff and external consultants. Assistance is practical and aimed at supporting the enterprise over a period.

In agro-processing, assistance was provided for the development of fruit and vegetable processing in Brunei Darussalam and Malawi and towards formulating a strategy for Uganda. Other projects supportive of agro-based

industry included the development of rubber and jute industries in Sri Lanka and Bangladesh respectively. Assistance continued for a small-scale formulation facility for herbal plants-based botanicals at a centre for traditional medicine in Ghana and for the development of a hard gelatine capsule industry in South Africa.

Overall, the Secretariat continues to respond to requests for practical assistance in the development of low-entry industries such as textiles, food and agro-processing, light engineering and building materials. There is also a demand for advice on global trends and their implications for competitive enterprises of the future, such as in information technology, herbal medicines and botanicals, skill and knowledge-based entrepreneurial businesses and creative industries.

Electronic Boost for Business

The Secretariat has developed a Commonwealth Business Network (COMBINET) on the Internet to give chambers of commerce, industry associations and businesses on-line access to up-to-date market intelligence, contacts and opportunities, new markets, and information on new technologies and training opportunities.

This network was first mooted in 1993 when, at a roundtable meeting organised by the Secretariat, representatives of chambers of commerce and industry associations agreed that an information network linking themselves could enhance business and trade. This network was first serviced by traditional publishing methods. In 1997, the Secretariat established the network on the Internet.



In order to promote awareness of the potential of electronic commerce and the networking opportunities offered by COMBINET, the Secretariat organised a series of workshops in 1997-98 in Barbados, Botswana, Fiji Islands and India. These were attended by representatives from over 50 Chambers of Commerce and manufacturing associations from more than 45 countries.

COMBINET currently links some 300 Chambers of Commerce,

manufacturing associations, individual businesses, trade-related government web sites and international organisations in all Commonwealth countries. It is the official on-line networking partner of the Commonwealth Business Council and has strategic alliances with the World Chambers Network and the International Bureau of Chambers of Commerce in New York.

COMBINET can be accessed at the following Internet addresses:

<http://www.combinet.net>
and <http://www.combinet.org>.