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Barbados

Shaped for Success

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It has been argued that small economies are incapable of exerting any influence on global economic trends or developments. The Caribbean Community's response to this commonly held belief has been to redouble its efforts to create the Caribbean version of the European Community through the implementation of the amended treaty of Chaguaramas, thereby giving rise to the CARICOM Single Market and Economy (CSME). The primary economic goal of the CSME is to provide the region with the economic strength necessary to compete in a globalized world free of trade preferences.



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Barbados' commitment to the tenets of the revised Treaty reinforces its ambition to achieve developed country status by 2012. It brings to this new 'single economic space' its experience, expertise and international credentials as a place to conduct competitive global and regional trade. While every member of the Community has a role to play in the single market, Barbados' competitive advantage in the market can be best articulated through the availability of its mature fiscal incentive regime for international business that has its roots in the 1960s development strategy of 'industrialisation by invitation' espoused by the late Sir Arthur Lewis. In fact, the development of Barbados' international business and financial service sector began around 1965 and now contributes significantly to the country's foreign exchange earnings.

The legislation that governs the conduct of export by international business entities including International Business Companies, Foreign Sales Corporations, Exempt Insurance Companies, Exempt Insurance Management Companies, Societies with Restricted Liabilities and International Financial Institutions continues to attract, retain and grow Barbados' increasing global clientele. Supported by a regulatory regime that places a premium on *quality over quantity*, Barbados' stellar reputation as a prudent, well-regulated international business domicile has enabled Barbados to meet the challenges of increasing regulation with confidence, able to demonstrate its adherence to international best practices while remaining competitive and responsive to international market trends. As the leading international business centre in the CSME, Barbados also provides support to regional companies seeking to use the benefits of the integrated economic space to export extra-regionally.

An early signatory to the CARICOM Double Taxation Agreement (DTA) and party to over fourteen DTAs (including the USA, UK, Mauritius, Malta, Botswana, Sweden Switzerland, China, Venezuela, and Norway), Barbados offers a number of treaty-based opportunities to fuel the expansion objectives of pan-Caribbean companies. Barbados' dedication to regional development goals continues to be a mainstay of its national strategic plan as it continues its aggressive tax and treaty expansion

programme which has seen DTA dialogue with Brazil, Chile, Mexico, Ghana, Ireland, Italy and South Africa with new treaties set to come into force with Austria and the Netherlands before the end of 2005.

Thirty years after Barbados embarked on the pursuit of international business, Barbados continues to prosper in a fluid world economy, marked by acute market responses to rising oil prices, and increasingly larger and more destructive natural phenomena. Perhaps, however, more importantly, Barbados faces a new and greater responsibility to its CARICOM partners to positively impact the growth of a CARICOM economic space, plans for which are unprecedented in the history of modern commerce.