



IICA-COLEAD Caribbean Agrifood Business Series

Session n°16:

Opportunities in cross-border value chains for Caribbean entrepreneurs

Thursday 27 February 2025 – 14:00-16:00 UTC

[Online \(Zoom\)](#)

Live interpretation in English, French, Spanish and Portuguese

1. Context

In recent years, the global economy has increasingly shifted towards interconnected markets and regional integration, making cross-border value chains a pivotal aspect of international trade and business growth. The Caribbean region, made up of small island developing states (SIDS), has historically faced several barriers to economic growth, including limited market size, geographic fragmentation, and vulnerability to external shocks. However, as global trade patterns evolve, Caribbean countries are presented with new opportunities to integrate into larger regional and international value chains and tap into cross-border value chains that foster economic growth, enhance business competitiveness, and facilitate sustainable development.

Cross-border value chains involve the production of goods or services, information, and capital across multiple countries, where various stages of the product's creation take place across borders. Crossborder supply chains involve a network of activities and processes among various parties, including manufacturers, suppliers, distributors, retailers, and consumers in different countries. By participating in these chains, Caribbean entrepreneurs can enhance their access to global markets, diversify their products, and increase their competitiveness. Depending on a single supplier or region can increase vulnerability to disruptions such as natural disasters, political disturbances, or logistical issues. By having multiple sources of supply, companies can significantly reduce these risks.

However, cross-border value chains are often more complex and complicated than with mostly domestic value chains, and it involves complying with each country's different trade regulations, customs, and product standards. This means that entrepreneurs might have to deal with multiple sets of trade rules¹ and multiple risks and challenges, such as language barriers, cultural differences, regulatory requirements, and political instability. Cross-border supply chains begin with procuring raw materials and components from different parts of the world. These materials are then

¹ ILO. [Cross-Border Value Chain Development: A Rough Guide to Market Systems Development for Decent Work](#). November 2022.

transformed into finished products in one country before being shipped to various locations worldwide.²

2. Opportunities in cross-border value chains for Caribbean entrepreneurs

One of the most compelling opportunities for Caribbean entrepreneurs in cross-border value chains is **economic diversification**. Historically, many Caribbean economies have been heavily reliant on a few key industries, such as tourism and agriculture. By participating in cross-border value chains, entrepreneurs can diversify their business activities and reduce their dependence on any single industry. This diversification can lead to greater economic stability and resilience, especially in the face of global economic fluctuations.

Cross-border value chains provide Caribbean entrepreneurs with **access to larger markets** beyond their domestic borders. By integrating into global supply chains, businesses can tap into international demand and expand their customer base. This access to larger markets can lead to increased sales, higher revenues, and greater business growth. Additionally, exposure to international markets can help entrepreneurs better understand global consumer trends and preferences, allowing them to tailor their products and services accordingly.

Engaging in cross-border value chains can facilitate **innovation and technology transfer** for Caribbean entrepreneurs. Collaborating with international partners exposes businesses to new technologies, practices, and ideas. This exchange of knowledge can spur innovation and enhance the competitiveness of Caribbean businesses. Moreover, access to advanced technologies can lead to improved production processes, higher quality products, and greater efficiency.

Participation in cross-border value chains can **enhance the competitiveness** of Caribbean entrepreneurs. By collaborating with international suppliers, distributors, and other stakeholders, businesses can optimize their operations and reduce costs. For example, sourcing raw materials from countries where they are cheaper or outsourcing certain production processes can lead to cost savings. These cost advantages can be passed on to customers in the form of lower prices, making Caribbean products more competitive in the global market.

By participating in **regional agro-processing**, Caribbean entrepreneurs can add value to raw agricultural products (such as fruits, vegetables, and seafood) and integrate into global supply chains. Key opportunities include: (i) developing value-added food products for export (e.g., juices, sauces, packaged foods); (ii) enhancing food security through regional collaboration in production and distribution; (iii) leveraging existing trade agreements to access niche markets in the US, Europe, and beyond.

Tourism and hospitality value chains is another major sector in the Caribbean, with many countries relying heavily on tourism as a key economic driver. Entrepreneurs in tourism-related industries, including hospitality, entertainment, and services, can benefit from participating in cross-border value chains through collaborative partnerships with international hotel chains, airlines, and tour operators to enhance the tourism experience and expanding digital platforms to facilitate online bookings and travel experiences.

Caribbean entrepreneurs in the **manufacturing and light industrial sectors** can engage in cross-border supply chains to source raw materials and components from neighboring countries to reduce production costs; leverage regional trade agreements to access larger markets and engage in the assembly or customization of products for global markets, including the US and Europe.

² Irma Rachmawati Maruf*, Maman Budiman and Tuti Rastuti. Legal Compliance for Cross-Border Supply Chain: Challenge and Measurements. 2024.

The **digital economy** presents vast opportunities for Caribbean entrepreneurs to connect to global value chains. The rise of e-commerce, digital platforms, and software development opens new avenues for entrepreneurs to contribute to the global economy.

3. Challenges and enablers for cross-border participation of Caribbean entrepreneurs

One of the primary challenges of cross-border trade in the Caribbean is navigating the **diverse regulatory environments** of different countries which can create obstacles for entrepreneurs. Understanding and adhering to these regulations is crucial for successful cross-border operations.

While the Caribbean's geographic proximity is an advantage, the region's **transportation and infrastructure networks** can pose challenges. Limited shipping routes, high transportation costs, and inadequate port facilities can hinder the efficient movement of goods across borders. Logistics involves careful coordination in transporting goods, application of advanced technologies for efficiency, understanding of diverse regulatory compliance, and cooperation among stakeholders such as suppliers, logistics agents, and distributors.³ Entrepreneurs must develop robust logistics strategies to mitigate these challenges and ensure timely delivery of products.

Policy and regulatory support are key enablers. Many Caribbean governments recognize the importance of integrating into global value chains and have implemented policies to support this goal. Trade agreements, such as the Economic Partnership Agreement (EPA) between the Caribbean Forum (CARIFORUM) and the European Union, provide preferential access to international markets and reduce trade barriers.

Government support in the form of financial incentives, grants, and capacity-building programs can further facilitate the participation of Caribbean entrepreneurs in cross-border value chains. The establishment of business incubators, accelerators, and other support mechanisms can help foster entrepreneurship, particularly in sectors like technology and green industries.

Access to financing remains key for entrepreneurs for business expansion, particularly for ventures that involve international trade. This includes targeted financial products for cross-border investments, such as trade finance and export credit. Cross-border trade often involves dealing with multiple currencies, which can expose entrepreneurs to exchange rate fluctuations and financial risks. Entrepreneurs need to implement effective financial management practices to mitigate these risks. Partnerships with regional development banks, international financial institutions, and venture capital firms can assist in facilitating access to capital.

Capacity building and skill development are essential to equip entrepreneurs with the skills necessary for navigating global value chains, including trade, logistics, international marketing, and digital transformation.

Engaging with international partners can provide Caribbean entrepreneurs and their employees with valuable training and development opportunities. Additionally, participation in global supply chains can help entrepreneurs develop important business skills, such as negotiation, logistics management, and quality control.

Infrastructure development remains a critical enabler. Robust transportation, logistics, and digital infrastructure are critical to facilitating efficient movement of goods and services across borders. Investments in ports, airports, telecommunications, and digital platforms can enhance the region's ability to compete in global value chains.⁴ The growing emphasis on digital connectivity and e-

³ Irma Rachmawati Maruf*, Maman Budiman and Tuti Rastuti. Legal Compliance for Cross-Border Supply Chain: Challenge and Measurements. 2024.

⁴ As discussed in [session n°15](#)

commerce, can simplify transaction process, reduce lead times, and increase efficiency by making it easier to create, send, and receive documents digitally.

4. The way forward

Cross-border value chains offer significant opportunities for Caribbean entrepreneurs to grow their businesses, access new markets, and drive economic development across the region. By capitalizing on regional integration efforts, leveraging trade agreements, and focusing on innovation and capacity building, Caribbean entrepreneurs can unlock the potential of global markets and foster long-term sustainable growth. With the right support from both governments and private sector players, the Caribbean region can establish itself as a strong player in global value chains. To move forward, various actions are needed such as: (i) strengthening collaboration between Caribbean governments, private enterprises, and regional institutions to enhance regional value chains; (ii) creating incentives for entrepreneurs to participate in cross-border trade, including tax relief, financial support, and access to international business networks; (iii) fostering innovation in key sectors such as agriculture, tourism, manufacturing, and technology, and (iv) ensuring that local entrepreneurs are equipped to compete in international markets and understand the business culture in foreign markets; (v) understanding how to comply with market access requirements (i.e., packaging, labelling, food safety and quality) and cross-border trade transactions.

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Agenda

14:00-14:05 Introduction

Moderation: *Isolina Boto, Head of Networks and Alliances, COLEAD*

14:05-15:00 Panel: Opportunities in cross-border value chain for Caribbean entrepreneurs

- Ravi Sankar, Managing Director, Karibbean Flavours, Trinidad and Tobago
- Gyanti Tjon a Loi, Process Engineer, Varross NV, Suriname
- Maria Jackson, Founder and Director, Cocoa Sainte Lucie, St. Lucia

Moderation: *Allister Reynold Glean, Representative in Barbados, IICA*

15:00-15:30 Insights from experts

- Ben Morrison, Associate Programme Officer, International Trade Centre (ITC)
- Dr. Andre Gordon, Managing Director, Technological Solutions Limited (TSL)
- Nayaatha Taitt, Programme Coordinator, Compete Caribbean Partnership Facility (CC)

15:30-15:50 Q&A session

15:50-16:00 Conclusion and way forward



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