

# BARBADOS

*A Guide  
for Canadian Exporters*

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STORAGE

(Publié également en français)

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# BARBADOS

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1988  
STORAGE

## A Guide for Canadian Exporters

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# I. THE COUNTRY

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## Location and Geography

Barbados is a small island 33 km (21 miles) long by 22 km (14 miles) wide—430 km<sup>2</sup> (166 sq miles) of coral limestone lying 13° N latitude and 59° W longitude. The island is relatively flat, the land rising in terraces to a ridge near the centre with its highest point at Mt. Hillaby 337 m (1 115 ft). The porous nature of the coral of which Barbados is composed filters rainfall and acts as a natural purification system, thus providing some of the purest water in the world.

The major industries in Barbados are tourism, sugar production and light manufacturing with a growing offshore financial sector.

## Climate

Barbados enjoys a healthy tropical climate tempered by prevailing trade winds. Temperatures vary between 22 and 33° C (74 and 85° F) with a relative humidity of 68 to 70 per cent. The average annual rainfall is 150 cm (59 inches) with a rainy season between June and December.

## Local Time

Atlantic Standard Time (add one hour to Eastern Standard Time; subtract four hours from Greenwich Meridian Time) is used; there is no daylight saving time.

## Population

The population of Barbados is about 255 000 with a labour force of 112 000. The literacy rate is 97 per cent with an unemployment rate of between 18 and 19 per cent.

## Principal Cities

The capital, Bridgetown, is situated on the southwestern side of the island and has a population of about 102 000. The other major towns are Holetown, Speightstown and Oistins.

## Language

English is the official language; however, there is a creolized variation known as the Bajan dialect.

## Religion

Barbados is predominantly Anglican, but some 80 to 100 other denominations and religious sects are represented on the island.

## Weights, Measures and Electricity

Metric weights and measures are used locally. There is a reliable electrical supply on the island with 110 volts and 50 cycles.

## Public Holidays

The following holidays are observed:

<b>New Year's Day</b>	<i>January 1</i>
<b>Good Friday</b>	<i>March/April</i>
<b>Easter Monday</b>	<i>March/April</i>
<b>Whit Monday</b>	<i>May/June</i>
<b>Kadooment Day</b>	<i>First Monday in August</i>
<b>United Nations Day</b>	<i>First Monday in October</i>
<b>Independence Day</b>	<i>November 30</i>
<b>Christmas Day</b>	<i>December 25</i>
<b>Boxing Day</b>	<i>December 26</i>

## Business Hours

The general hours of work are 8.00 a.m. to 4.00 p.m. from Monday to Friday and 8.00 a.m. to 12.00 noon on Saturday. Government hours are 8.15 a.m. to 4.30 p.m. Monday to Friday only. Core banking hours are from 9.00 a.m. to 3.00 p.m. Monday to Thursday and 9.00 a.m. to 1.00 p.m. and 3.00 p.m. to 5.00 p.m. on Fridays. Banks do not open on Saturday.

## Historical Background

Although the island was not actually settled until 1627 by the British, the Portuguese originally charted it in 1536 and gave it the name "Los Barbados" (bearded fig tree) after the abundance of fig and banyan trees present. The island's first inhabitants, however, were the Arawak Indians.

When Captain John Powell first claimed Barbados in 1625 at the site of Holetown, the island was then



uninhabited. He went back to England where a return trip to settle the island was financed by Sir William Courteen in 1627. The country remained under British rule until 1966 when the island was brought to independence by the late Errol Barrow, first prime minister of Barbados.

It is the only island in the region to escape changing hands from one European power to another during the long colonial tussle for control of the Eastern Caribbean during the seventeenth and eighteenth centuries.

## Government

The government is run under the Westminster System. With its House of Assembly first having met in 1639, it is the third-oldest legislative body in the Western hemisphere.

Parliament consists of an elected lower house and a senate of appointed representatives. The head of state is the Governor General.

There are two major political parties in Barbados. The ruling Democratic Labour Party, in power since 1986, is led by Prime Minister Erskine Sandiford, and the opposition, the Barbados Labour Party, is led by Henry Forde.

Democratic elections are held every five years.

The judicial system is based on British Common Law, and the judiciary is separate from the Legislature and Administration. The Attorney General is the principal legal advisor to the government.



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## II. ECONOMY AND FOREIGN TRADE

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### Economic Overview

The economy of Barbados in the early years was primarily based on the sugar industry; with the decline in world sugar prices, a shift to tourism, light industry and offshore business has been made in an effort to provide additional employment opportunities and to increase foreign exchange earnings.

Although the island lacks natural resources, other advantages such as political stability, good industrial relations and special tax incentives encouraging small-scale local and foreign export-oriented assembly operations have led to a rapid growth in the manufacturing sector, especially in the area of electronic components in the mid 1980s. As a result, Barbados is one of the most prosperous islands in the Eastern Caribbean with a per capita income of some Cdn\$6 600 (one-third that of Canada).

Following a period of stagnation in the first half of the 1980s, 1986 proved to be relatively buoyant with 5 per cent real growth achieved. However, with the world price of sugar remaining low and export manufacturing being very depressed, this has levelled off and real growth of 2 per cent was attained in 1987 with a similar level projected for 1988.

Shortly after taking office in 1986, the ruling Democratic Labour Party introduced a "supply-side" budget offering major tax concessions. In the resultant shortfall of revenue, significant foreign borrowing was required to finance government expenditures. In the 1987 budget, indirect taxes, in particular stamp duties and consumption taxes on extra-regional goods, were substantially increased. (Extra-regional refers to countries other than those of CARICOM or Caribbean Community members.) This resulted in a decline in total foreign imports and an increase to at least 3.5 per cent inflation in 1987. Taxes, both direct and indirect, were again raised in the 1988 budget to close the fiscal deficit, improve balance of payments, and so forth. These measures further increased inflationary pressures in 1988.

## Principal Sectors

**Tourism.** Tourism is the main industry in Barbados and the major source of foreign exchange, contributing 9.9 per cent of GDP. After a decline in tourists in the early 1980s the sector has recovered somewhat. Nevertheless, few new hotel developments or expansions are currently planned with only one new hotel being built. The island's large tourism industry requires significant upgrading and modernization.

Tourism experienced a slight contraction of the market in 1986 in comparison with the increases experienced by Barbados' competitors in the region. Increased promotional activity, more competitive pricing, the introduction of air tours from the U.K. and Canada, and the greater availability of passenger seats appeared to have achieved some success in 1987. Tourist arrivals expanded by 13.9 per cent with a strong performance in summer visitor traffic and continued buoyancy in cruise ship activity. Arrivals exceeded 400 000 in 1987, with increases of 40 per cent from the U.K., 7 per cent from Canada and 9 per cent from the U.S. The U.S. remains Barbados' largest market accounting for 40 per cent of all visitors, while Canada accounts for 17 per cent. Despite the increased number of visitors, tourism receipts were up no more than 5 per cent.

**Manufacturing.** The manufacturing sector consists largely of firms producing garments, furniture, processed foods, chemicals and electronic assembly for re-export. Comparatively good infrastructure, stable industrial relations, low labour costs and a range of incentives have attracted a wide range of foreign companies to Barbados.

The closure of important labour-intensive firms in the electronic components (in particular INTEL) and garment industries and the downturn in the levels of trading in regional markets have contributed to a slump in the manufacturing sector. Output in manufacturing declined by 6.6 per cent in 1987 reversing the modest gains in 1986 despite improvement in garment production.

Through the efforts of the Industrial Development Corporation and others to find alternative foreign exchange earning activities, new ventures, such as three data processing firms in 1987, have been encouraged to establish facilities in Barbados. Relaxation of import restrictions and quotas by Trinidad



and Tobago, Barbados' main Caribbean Community (CARICOM) market for its exports, and reciprocal removal of stamp duties on CARICOM products should enhance intra-regional trade i.e., trade among the countries that are members of CARICOM. Government has removed the stamp duty (15 per cent) on raw materials and packaging materials imported from extra-regional sources, effective April 1988, in an effort to stimulate manufacturing and enhance export competitiveness.

**Agriculture.** Sugar accounts for 99 per cent of agricultural earnings. Production has been falling since the beginning of the decade, to 110 000 tonnes in 1986 and to 83 400 tonnes in 1987. World market prices for sugar remain very low, and the combination of a cut-back in acreage planted and an extended dry season accounted for the further drop in production in 1987.

Production of food crops has fluctuated of late, declining marginally in 1987 on account of the prolonged dry season. The production of dairy and poultry products plus cotton has shown excellent growth and the fish catch has been increasing at a more modest rate.

Food imports rose from US\$48.5 million in 1976 to US\$79.9 million in 1986. Foodstuffs continue to make up a substantial percentage of total imports.

**Construction.** Infrastructural upgrading projects, most notably the construction of a US\$40 million IADB (Inter-American Development Bank) financed highway, the completion of a US\$12 million fisheries harbour and processing complex, public and private sector housing developments, expansion of hospital facilities and the government's capital works program have kept activity within the construction sector at a high level. Growth is expected to continue in this sector with a number of internationally financed projects still under construction and with an increase in the number of housing starts.

**Energy.** Barbados has a single oilfield at Woodburne which produced 331 768 barrels of crude oil in 1987 as compared to 559 152 barrels in 1986. Natural gas sales declined by 10 per cent to reach 8.1 million m<sup>3</sup>. The government's policy to decrease production pending higher world oil prices is reflected in the reduction of output of crude oil and natural gas. The construction of a Cdn\$4 million LPG Plant, (financed by the Export Development Corporation) producing some 25 000

barrels of liquid petroleum gases will save Barbados an estimated Cdn\$1.2 million annually in foreign exchange. A natural gas pipeline, financed by the Canadian International Development Agency (CIDA) and completed in early 1988, has improved the distribution of gas to domestic and industrial users.

**Offshore Banking.** Offshore financial services are growing in importance as a sector of the economy, with a direct contribution to revenue of Cdn\$3.1 million. Tax treaties with Canada and a new agreement with the United States offer substantial incentives for companies investing in Barbados. Approximately 500 offshore companies now operate or are registered in Barbados (banks, exempt insurance companies, offshore sales corporations and one shipping company).

## Investment Incentives

The Fiscal Incentives Act, legislated in 1974, grants manufacturers of approved products a maximum of 10 years' tax holiday as follows:

<b>Enterprise</b>	<b>Value Added</b>	<b>Maximum Tax Holiday</b>
Enclave Capital intensive (not less than \$25 m)	—	10 years
Group I	50% or more	10 years
Group II	25 - 50%	8 years
Group III	10 - 25%	6 years

Along with these tax incentives manufacturers can also benefit from:

- exemption from import duties on parts, raw materials and machinery;
- capital allowances on fixed assets;
- subsidized factory accommodation on a lease-to-purchase basis;
- training grants;
- export credit guarantee scheme;
- an allowance of 150 per cent of expenses incurred in developing export markets outside CARICOM;
- duty-free access to CARICOM countries.

In order to obtain approved enterprise status and qualify for the concessions mentioned above manufacturers are required to form their business into a locally incorporated company.



Concessions are also granted for tourism under the Hotel Aids Act as follows:

- provisional licence to build a new hotel or convert an existing building may be granted for up to two years during which time the construction must be completed (licence granted depending upon potential needs for hotels and area to be constructed);
- goods/equipment imported for construction and operation of hotel permitted duty-free entry;
- 10-year licence issued granting duty-free privileges and exemption from income tax for duration of licence.

## Government Support

The Barbados Industrial Development Corporation is responsible for stimulating and facilitating industry in the island and offers a wide variety of services, including the provision of factory space, training grants, advice on the Fiscal Incentives Legislation and assistance in co-ordinating joint ventures.

Further detailed information and booklets on investing in Barbados are available from:

The Barbados Industrial Development Corporation  
Pelican House  
Princess Alice Highway  
Bridgetown, Barbados  
Tel: (809) 427-5350  
Telex: 2295 BARDEV WB

The Export Development Corporation advises on all matters relating to the island's export trade and will assist with locating export markets for local manufacturers.

## Free Trade Zones

There are currently no free trade zones in Barbados.

## Foreign Investment

Foreign investment is welcomed and encouraged in Barbados, the most desirable being joint ventures between local and foreign companies. Canadian firms participate to a substantial degree in the local economy with a wide range of investments, joint ventures and licensing arrangements in such areas as banking,

insurance, tourism, construction, electronics, food processing and other light manufacturing. New ventures are also being supported through mechanisms such as the Industrial Cooperation Program administered by the Canadian International Development Agency (see chapter 6).

In order to facilitate applications for repatriation of funds, foreign investors must register with the Central Bank of Barbados on arrival. Foreign currency is freely released through the Central Bank for transactions to cover overseas payment of goods and services.

## Foreign Trade

Some 70 per cent of consumables in Barbados are imported. Barbados' main trading partners are the United States, the European Economic Community, CARICOM and Canada.

The moderate downturn in import levels from US\$590 million in 1986 to US\$500 million in 1987 is expected to continue into 1988 due particularly to the sharp decline in manufacturing activity and the lower demand for intermediate goods. The market for capital and consumer goods should remain steady, with the U.S., U.K. and Canada as the major suppliers.

Canada maintains a solid trade relationship with Barbados with exports increasing by 23 per cent in 1986 to Cdn\$41 million (agriculture and food products, telecommunications and educational/medical/health care goods and services) while imports from Barbados were Cdn\$22 million (printed circuit boards, molasses, rum), an increase of some 200 per cent possibly resulting from the CARIBCAN initiative (see last section of this chapter). A similar level of two-way trade was maintained in 1987.

As a result of the closure of major labour-intensive firms in the electronics and garment industries and a downturn in regional trade there was a deficit in the current account in 1986 and 1987.

**Total Imports  
by Principal Country of Origin  
(Bdos \$)**

Country	1985	1986	1987*
U.S.A.	499 633.9	470 342.7	333 552.3
U.K.	111 056.7	127 581.8	120 532.7
CARICOM	176 853.1	125 962.5	146 193.7
Canada	62 245.9	78 428.5	81 282.8
Japan	55 211.8	66 562.9	54 476.1
Other	316 579.5	312 196.2	299 853.1
<b>TOTAL</b>	<b>1 221 580.9</b>	<b>1 181 074.6</b>	<b>1 035 890.7</b>

**Total Exports  
by Principal Country of Destination**

Country	1985	1986	1987*
U.S.A.	130 167.6	131 043.9	67 607.8
Puerto Rico	237 536.0	118 180.8	18 883.5
CARICOM	160 538.5	96 072.7	74 827.1
U.K.	40 748.0	42 202.0	55 963.3
Canada	9 887.2	23 193.4	13 202.8
Other	128 903.9	141 590.1	83 223.1
<b>TOTAL</b>	<b>707 781.2</b>	<b>552 300.0</b>	<b>313 707.6</b>

\*Source: Barbados Statistical Department



**Main Canadian Exports to Barbados  
(Cdn \$)**

<b>Commodity</b>	<b>1985</b>	<b>1986</b>	<b>1987</b>
Meat	2 924 791	3 501 248	2 683 913
Fish	1 934 187	2 093 622	1 907 722
Veg. and veg. preparations	1 533 882	1 848 645	2 347 652
Lumber, softwood	490 161	683 818	1 058 289
Paper, newsprint, etc.	1 225 854	2 070 805	2 222 268
Iron and steel alloys	1 308 156	1 197 959	1 428 369
Metal structures/ products	1 751 403	1 199 955	2 101 820
Machinery and parts	1 209 523	3 100 951	4 495 959
Telecommunications eqpt.	4 559 462	2 135 713	2 318 014
Medical eqpt. and supplies	2 356 187	4 006 917	3 680 059
Grain products/ cereals	1 373 776	1 753 422	1 733 182
Containers (wood, paper, plastic, etc.)	1 102 929	1 178 796	1 138 724
<b>TOTAL MAIN COMMODITIES</b>	<b>\$21 770 311</b>	<b>\$24 771 851</b>	<b>\$27 115 972</b>
<b>TOTAL ALL COMMODITIES</b>	<b>\$32 899 050</b>	<b>\$41 305 031</b>	<b>\$41 774 739</b>
<b>MAIN AS % OF TOTAL</b>	<b>66.1</b>	<b>59.9</b>	<b>64.9</b>

*Source:* Statistics Canada



**Main Canadian Imports from Barbados  
(Cdn \$)**

Commodity	1985	1986	1987
Molasses	4 210 934	2 817 384	2 937 513
Printed circuit boards	204 573	10 583 009	4 097 187
Heavy fuel oils	—	5 030 857	11 758 770
Rum	739 289	1 058 909	388 854
Electronic components	428 920	502 033	567 003
<b>TOTAL MAIN COMMODITIES</b>	<b>\$5 583 716</b>	<b>\$19 992 192</b>	<b>\$19 749 327</b>
<b>TOTAL ALL COMMODITIES</b>	<b>\$6 993 704</b>	<b>\$21 278 461</b>	<b>\$21 127 159</b>
<b>MAIN AS % OF TOTAL</b>	<b>79.9</b>	<b>93.9</b>	<b>93.01</b>

*Source:* Statistics Canada

## Membership in Trade Blocs

**CARICOM.** Barbados has been a member of the Caribbean Community since its initiation in 1973. The CARICOM treaty provides for the free movement of goods between its member states in an effort to accelerate the expansion of its member countries' economies by broadening the domestic market through the elimination of trade barriers (duties and import restrictions).

**CBI.** In 1983, the United States introduced the Caribbean Basin Initiative (CBI) for a 12-year period. This legislation provides for the duty-free entry into the U.S. of locally grown, produced or manufactured goods exported directly to the United States with a stipulated local value-added content. There are, however, some exceptions: petroleum, textiles and apparel, footwear, handbags, luggage, flat goods, work gloves, leather apparel, canned tuna and watches.

**CARIBCAN.** In mid-1986, Canada implemented a new economic and trade development assistance program for the Commonwealth Caribbean called CARIBCAN. This program allows for the preferential one-way duty-free trade of 99.8 per cent of Canada's imports from the Commonwealth Caribbean with limited exceptions—

textiles, clothing, footwear, luggage, handbags, leather garments, lubricating oils and methanol.

Barbados is also a beneficiary country under the Lomé Convention, a trade, aid and investment treaty between the member states of the European Community and the developing countries in Africa, the Caribbean and the Pacific (ACP).

In addition, Barbados is a member of the United Nations, the Commonwealth, the International Monetary Fund and the General Agreement on Tariffs and Trade (GATT).

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### III. *DOING BUSINESS IN BARBADOS*

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#### Opportunities for Canadian Products and Services

There are continuing market opportunities for foodstuffs (fish and meats, vegetables, cereal, condiments and food preparation products); lumber; newsprint and other paper products; a variety of builders' hardware; medical and pharmaceutical products; and manufactured end products such as telecommunications equipment, construction machinery, safety and sanitation equipment. New export opportunities are developing with local sectors such as agriculture and fisheries, tourism (in particular hotel and restaurant equipment), internationally financed education projects and light manufacturing.

Multilateral and bilateral development funds remain significant and provide good opportunities for consultants, contractors and suppliers. Canadian firms have been active and successful in pursuing project work with International Financial Institutions (IFIs) such as the Caribbean and Inter-American Development banks. Notable current examples are the construction of a US\$40 million IADB road project and the completion of a US\$12 million fisheries harbour and processing complex.

Barbados welcomes direct investment by non-residents and provides attractive fiscal incentives in line with other CARICOM member countries. Canadian firms participate to a substantial degree in the local economy with a wide range of investments, joint ventures and licensing arrangements. New ventures are supported where applicable by mechanisms such as CIDA's Industrial Cooperation Program.

The government is actively promoting investment in light manufacturing industries, and good prospects exist for the export of capital goods to Barbados. The importation of consumer items is affected by the extensive "Negative List," which indicates the range of imports subject to import licensing or prohibited entry. This is a protective device meant to encourage local



processing, packaging, light manufacturing and assembly industries.

## Distribution and Sales Channels

The main channels of distribution are independent agents; distributors—sometimes on an exclusive basis; direct sales by trading houses in Canada to importers or distributors; and visiting Canadian representatives.

You are advised to appoint an agent on the island should you wish to maintain ongoing sales. Personal relationships make a difference and regular visits to the island will place the supplier in good stead.

Some of the larger wholesale companies on the island have subsidiaries in the other Leeward and Windward Islands.

Canadian exporters should seek assistance from the resident trade commissioner regarding prospective local agents/distributors.

## Advertising and Promotion

With the existence of five radio stations, two daily papers and a government-owned and operated colour television station there is a wide scope for advertising. There are a few internationally known advertising companies represented in Barbados along with a number of reputable local agencies.

## Buying Season

For consumer products there is only one main buying season in Barbados—Christmas. However, there is an increase in buying activity for Easter as well as for Mother's/Father's Day and Valentine's Day in May, June and February.

## Price Quotations

It is suggested that prices be quoted in U.S. or Canadian currency as exchange rates fluctuate daily. Quotations should be c.i.f. or f.o.b. port of shipment, including handling and documentation charges to the time the goods are placed on board the carrier.

## Correspondence and Trade Literature

All literature, brochures and correspondence should be in English.



## Credit and Terms of Payment

Sight draft documents against payment on arrival of the goods are the customary terms for importers. In the case of dealing with small unknown customers, a confirmed letter of credit is recommended. Once a firm, reliable agency agreement has been established and the company's credit rating has been proven, it is usual to extend credit for as long as 120 days from the date of acceptance.

Exporters should take similar precautions as they would in Canada by obtaining credit ratings from the customer's bankers.

The Commercial Department of the Canadian High Commission in Bridgetown can obtain very basic credit information on prospective customers once the bank and specified credit amount are provided. This credit rating is not as detailed as that required by the Export Development Corporation (EDC). This can only be provided on a banker-to-banker basis.

## Banking Services

The Central Bank is the head of the banking system in Barbados and is charged with controlling the policy governing the operations of all banks and financial institutions on the island.

The following Canadian banks are represented locally with head offices in the heart of the city: the Royal Bank of Canada, the Canadian Imperial Bank of Commerce, and the Bank of Nova Scotia. They provide a full range of domestic and international banking services via a network of branches throughout the island.

The Barbados Development Bank provides financing to local industry. The headquarters of the Caribbean Development Bank is located in Barbados because of the excellent communications systems, financial institutions and stable international reputation attained by the island. This organization provides funding and support to public and private sector projects in the region.

## Trademarks

Trademarks are regulated under the Trademark Act of 1981 which protects registrants for a period of 10 years.

## Transportation, Utilities and Communication

**Internal Transportation.** There are approximately 2 333 km (1 450 miles) of paved roads in Barbados. Several large road improvement projects are now under way including a multi-lane highway to link major industrial zones to the air and sea ports on the island. The contract for the construction of this highway was awarded to a Canadian company. There is a relatively efficient public transportation system which is enhanced by a fleet of privately owned/operated minibuses. There is no rail network.

**International Transportation.** Grantley Adams International Airport, built with a loan from the Canadian government, is a modern international airport with a 3 352 m (11 000 ft) runway equipped to accommodate any type of aircraft. The airport is served by leading international carriers such as Air Canada, Wardair, American Airlines, PanAm, Eastern, BWIA, Cruzeiro, British Airways, LIAT and many more.

**Ports.** Bridgetown Harbour is the only port and is situated on the southwestern side of the island in the city. There are approximately 518 m (1 700 ft) of quay space affording berths for eight ocean-going vessels and bunking facilities for five.

Shipping service is provided by many international and regional lines.

**Communications.** Barbados is equipped with state-of-the-art communications facilities, including direct dialling, telex and facsimile transfer plus international database access service (IDAS).

**Electricity/Water.** The Barbados Light and Power and the Barbados Water Authority provide efficient island-wide coverage.

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## *IV. CUSTOMS AND EXCHANGE REGULATIONS*

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### Currency and Exchange Rate

The unit of currency is the Barbados dollar which is tied to the U.S. dollar at 2:1. Denominations issued are \$100, \$20, \$10, \$5, \$2, \$1 in notes and \$1, \$0.25, \$0.10, \$0.05, \$0.01 in coins. Foreign currency is freely accepted by banks, and U.S. and Canadian notes are accepted in stores.

### Exchange Control

Authority is vested in the Central Bank of Barbados for the administration of foreign exchange regulations.

Repatriation of funds by foreign companies is permitted under the conditions regulated by the Bank. Approval for the release of foreign exchange is controlled by the Bank.

### Import Licences

To protect local manufacturing and under the CARICOM agreement, items produced locally or regionally capable of meeting local demand are "negative-listed" and prohibited entry from extra-regional sources. These include certain clothing, food and furniture items. (See also chapter 3.)

There is, however, an extensive list of products that although not prohibited entry, require an import licence which must be obtained prior to the goods being shipped to the island.

### Import Duties

The Barbados Customs Tariff is a one-column tariff using the Customs Cooperation Council Nomenclature (CCCN). Provision is also made for statistical classification in accordance with the Standard International Trade Classification (SITC) system.



No preferential treatment is accorded, other than for goods produced in member states of CARICOM which are generally duty-free.

Duties are generally levied on value, although certain fluid products are assessed according to net weight or volume. Duties are levied as a percentage of the c.i.f. value, i.e. the value of the item delivered to the customs house of entry, including insurance and freight. Consumption tax and a 15 per cent stamp duty are levied on extra-regional goods (excluding raw materials and packaging).

## Documentation Procedures

Shipping documents must be provided to the customs authorities and applicable customs charges paid prior to the goods being released. These documents in turn must be provided to exchange control for permission to remit funds in a foreign currency.

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## V. YOUR BUSINESS VISIT TO BARBADOS

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Advise and consult with the trade commissioner in the Commercial Division of the Canadian High Commission when planning your first business visit to Barbados, preferably well in advance of your departure. Inform that office of the purpose of your visit and include several copies of product brochures. It is extremely helpful if you work out the c.i.f. prices on at least part of your product range in advance. You should also list any contacts you may already have with Barbadian business people.

With this information at its disposal, the commercial staff will be pleased to arrange a tentative itinerary and make appointments on your behalf prior to your arrival.

### When to Go

The best time to visit Barbados is between April and November in order to avoid the high prices of the tourist season. Local business persons also have more time to consider new lines and new ventures during these times.

### How to Get There

Air Canada, Wardair and British West Indies Airways (BWIA) have regular flights from Toronto and Montreal to Barbados.

### Internal Transportation

With some 2 333 km (1 450 miles) of roads in Barbados, internal transportation is good. Taxis are available for hire by distance, by the hour or by the day. Car rental services are available at the airport as well as with various rental agencies throughout the island.

### Passport

A valid passport or some form of identification with a photograph and a return ticket are required for entry into Barbados. Visas are not required for nationals of the U.S., Canada, the U.K. and Commonwealth countries. There is a departure tax of Bdos\$16 per person except for visits of less than 24 hours.

## Health Certificate

Where visitors to Barbados have recently travelled to areas infected with cholera and yellow fever, an international certificate of vaccination issued not less than six days and not more than six years previously is required.

## Clothing

Light tropical-weight suits or shirt jackets are suggested.

## Currency Regulations

Residents of Barbados are subject to a limit on the amount of foreign exchange that can be taken out of the country. This amount is the equivalent of Bdos\$1500 per year in foreign currency of which only \$500 is allowed in cash, the remainder in travellers cheques. Foreign travellers are also subject to the Bdos\$500 cash limit when exchanging funds into foreign currency.

There is, however, a facility at the airport which allows non-residents to change currency on arrival and departure from the island.



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## VI. FEDERAL EXPORT ASSISTANCE

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### Market Advisory Services

As a service to Canadian business, the federal government maintains trade officers in 67 countries around the world. These representatives provide assistance to Canadian exporters and aid foreign buyers in locating Canadian sources of supply. In addition to providing the link between buyer and seller, the trade officer advises Canadian exporters on all phases of marketing, including identification of export opportunities, assessment of market competition, introduction to foreign business people and government officials, screening and recommending of agents, guidance on terms of payment, and assistance with tariff or access problems. Trade officers also play an active role in looking for market opportunities and encouraging promotional efforts.

An additional source of information is the group of geographic trade divisions at the Department of External Affairs in Ottawa. Each of these offices concentrates on markets in specific geographical regions, in this case Latin America and the Caribbean. They are the central government link in Canada for the trade officers abroad. In the case of Barbados, the trade officers in Bridgetown are in constant contact with their counterparts in the Latin America and Caribbean Branch in Ottawa (Address: Caribbean and Central America Trade Development Division — Latin America and Caribbean Branch, Department of External Affairs, 125 Sussex Drive, Ottawa, Ontario K1A 0G2, Telephone: (613) 996-3877, Telex: 053-3745). This office can provide the following type of general information:

- market information, including economic forecasts for individual countries and information on the market for particular products;
- market access information on tariff rates, regulations, licensing, no-tariff barriers, product standards, required documents, etc.; and
- publications, including editions of this publication, *Guide for Canadian Exporters*, and country briefs on smaller markets.

The geographic trade divisions are also responsible for assisting and advising exporters on marketing their products and services and on informing business people about export services provided by the Canadian government, and export opportunities as they arise.

As well, International Trade Centres are located across Canada to provide a full range of trade services for Canadian exporters. They are staffed by experienced trade commissioners under the direction of a senior trade commissioner from the Department of External Affairs.

Services such as export counselling and the provision of market opportunity information are combined with the ability to assist in the development of individual marketing plans. The centres also act as focal points for export awareness programs such as seminars and workshops. In addition, each centre will be linked with the WIN Exports system operated by External Affairs.

The centres are located in regional offices of Industry, Science and Technology Canada (except for the Northwest Territories and the Yukon) and are often the first point of contact for potential exporters. Future centres are to be located in Calgary, Regina, London and Quebec City.

## Export Development Corporation

The Export Development Corporation (EDC) is a Canadian Crown corporation whose purpose is to facilitate and develop Canada's export trade.

The EDC provides insurance, guarantees, and export financing, which combined with financial advice and the organization of financial packages, facilitate the sale of Canadian goods and services abroad.

The Corporation offers the following services:

### **a) Export Insurance and Related Guarantees**

- global comprehensive insurance
- global political insurance
- selective political insurance
- specific transaction insurance
- specific transaction guarantees
- loan pre-disbursement insurance
- foreign investment insurance
- performance security insurance
- performance security guarantees



- consortium insurance
- surety bond insurance
- bid security guarantees

## **b) Export Financing and Related Guarantees**

- loans
- multiple disbursement agreements
- line of credit allocations
- note purchases
- forfeiting
- loan guarantees

The EDC head office is in Ottawa at P.O. Box 655, 151 O'Connor Street, Ottawa, Ontario K1P 5T9, Telephone: (613) 598-2500, Telex: 053-4136. Regional offices are located in Montreal, Toronto, London, Calgary, Winnipeg, Vancouver and Halifax. General enquiries regarding other EDC services may be channelled through the regional offices. Export services are only handled by the Ottawa office. Enquiries about export financing for a specific geographical area should be addressed to the manager of the appropriate department in the Export Financing Group of the EDC in Ottawa.

## **Program for Export Market Development**

On April 1, 1987, the Department of External Affairs consolidated the Program for Export Market Development (PEMD) and the Promotional Projects Program (PPP) into a single program called PEMD, a name well recognized by both the private sector and governments.

The new PEMD was designed to increase the marketing efforts of private sector businesses by helping them to participate in activities they would not, or could not, undertake on their own.

A summary of the types of assistance offered by the new PEMD follows.

**Government-Initiated Activities — Trade Fairs and Missions.** Under this PEMD activity, the government shares the cost of participating in national stands at trade exhibits outside Canada; sponsors outgoing trade missions of Canadian business persons to identify market opportunities abroad; and hosts incoming missions to Canada of foreign business and government officials who can influence export sales. In the case of



trade fairs, a company can be eligible for assistance for up to three participations in the same fair event. There is no limit on mission participation. A new element in the program is the introduction of a participation fee for fairs to ensure a greater sharing by industry of costs related to government-sponsored activities.

**Industry-Initiated Activities** (for which government contribution continues to be repayable if sales result). Four applications per company per year.

**Trade Fairs.** Funding for companies wishing to participate individually in foreign trade fairs.

**Visits.** Actual travel costs up to 100 per cent of the return economy airfare will be paid for both incoming visits to Canada of foreign buyers and market identification trips by Canadian companies outside Canada. In the case of market identification trips to the United States, only companies with annual sales below \$10 million will be eligible for assistance.

**Project Bidding.** This type of assistance shares the cost of bidding on specific projects outside Canada. The projects typically involve a formal bidding procedure in competition with foreign firms for consulting services, engineering construction, the supply of Canadian goods and services, major capital projects, and a special provision for mega-projects (over \$250 million Canadian content).

**Establishment of Permanent Sales Offices Abroad.** Canadian exporters are assisted in undertaking sustained marketing efforts by establishing facilities in a foreign market (excluding the United States). The government will provide up to \$125 000 per project and individual companies may have up to two approvals during their lifetime.

**Activities Related to the Food, Agriculture and Fish Sectors.** Up to \$125 000 per project is available to cover special activities undertaken by non-profit food, agriculture or fish organizations, marketing boards and agencies for technical trials, product demonstrations, seminars and training, as well as commodity promotion. This assistance is non-refundable; two approvals per applicant per government fiscal year are permitted.

**Marketing Agreement.** The new PEMD offers applicants the flexibility to enter into concentrated

agreements with the government to undertake marketing programs made up of a combination of activities eligible under the regular program for a period of up to two years. It is aimed at medium-sized manufacturers with some experience in exporting.

More information on the PEMD program is available from Info Export, the Caribbean and Central America Trade Development Division or the International Trade Centres located in the regional offices of Industry, Science and Technology Canada.

## Publicity

*CanadExport*, a bi-weekly newsletter published in English and French editions, promotes Canadian exports abroad. It features a variety of articles and reports on export opportunities, trade successes, government services to industry, international market conditions and tenders, industrial development and joint industry-government trade-promotion activities. Articles also appear regularly on fairs and missions organized abroad by the Department of External Affairs under its Fairs and Missions programs, as well as major fairs worldwide, and on multilaterally funded capital projects overseas which offer export opportunities for Canadian suppliers of goods and services.

*CanadExport* is available free of charge to Canadian manufacturers from the Department of External Affairs (BTC), Lester B. Pearson Building, 125 Sussex Drive, Ottawa, Ontario K1A 0G2. Call Info Export toll free: 1-800-267-8376.

## Industrial Co-operation with Developing Countries

The Canadian International Development Agency (CIDA) established in 1978 the Industrial Cooperation Program to increase the effectiveness of the agency's social and economic development programs in the Third World.

This program, together with other existing bilateral programs, assists Canadian companies in penetrating new markets in developing countries and supports them in seeking opportunities for investment, joint ventures and transfers of technology in these markets.

The Industrial Cooperation Program uses financial incentives to support Canadian private sector initiatives

in long-term business co-operation arrangements and in project definition studies in developing countries. Support is also provided for making contacts and identifying opportunities through seminars, investment missions and viable business co-operation arrangements.

Most of these arrangements are defined as co-production or production-sharing agreements; assembly operations; licensing agreements; and various forms of equity participation.

Detailed information and application forms for the Industrial Cooperation Program are available from:

The Industrial Cooperation Division  
200 Promenade du Portage  
Hull, Quebec  
K1A 0G4  
Tel: (819) 997-7901  
Telex: 053-4140

## Provincial Governments

Each provincial government has a department that provides guidance on business development including trade.



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## VII. USEFUL ADDRESSES

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### In Canada

Barbados High Commission  
Suite 700, 151 Slater Street  
Ottawa, Ontario  
K1P 5H3  
Tel: (613) 236-9517  
Telex: 0210533375

Barbados Consulate  
General  
Suite 1508, 20 Queen  
Street W.  
Toronto, Ontario  
M5H 3R3  
Tel: (416) 979-2643  
Telex: 02106218247

### Export Development Corporation

#### Head Office

151 O'Connor Street  
Ottawa, Ontario  
Mailing Address:  
Export Development  
Corporation  
P.O. Box 655  
Ottawa, Ontario  
K1P 5T9  
Tel: (613) 598-2500  
Cable: EXCREDCORP  
Telex: 053-4136  
Fax: (613) 237-2690

#### Ottawa District Office

(Same address as head  
office)  
Tel: (613) 598-2992

#### Prairie and Northern Region

Export Development  
Corporation  
Bow Valley Square III  
Suite 2140  
255 — 5th Avenue S.W.  
Calgary, Alberta  
T2P 3G6  
Tel: (403) 294-0928  
Fax: (403) 294-1133

#### British Columbia and Yukon Region

Export Development  
Corporation  
Suite 1030, One Bentall  
Centre  
505 Burrard Street  
Vancouver, British  
Columbia  
V7X 1M5  
Tel: (604) 688-8658  
Fax: (604) 688-3710

#### Manitoba/Saskatchewan District Office

Export Development  
Corporation  
330 Portage Avenue,  
Suite 707  
Winnipeg, Manitoba  
R3C 0C4  
Tel: (204) 942-0226  
Fax: (204) 983-2187  
Toll Free: 1-800-665-7871

## **Ontario Region**

Export Development  
Corporation  
Suite 810, National Bank  
Building  
P.O. Box 810  
150 York Street  
Toronto, Ontario  
M5H 3S5  
Tel: (416) 364-0135  
Fax: (416) 862-1267

## **London District Office**

Export Development  
Corporation  
451 Talbot Street  
Suite 303  
London, Ontario  
N6A 5C9  
Tel: (519) 645-5828  
Fax: (519) 645-4483

## **Quebec Region**

Export Development  
Corporation  
Suite 2724, 800 Victoria  
Square  
P.O. Box 124  
Tour de la Bourse Postal  
Station  
Montreal, Quebec  
H4Z 1C3  
Tel: (514) 878-1881  
Fax: (514) 878-9891

## **Atlantic Region**

Export Development  
Corporation  
Toronto-Dominion Bank  
Building  
Suite 1003  
1791 Barrington Street  
Halifax, Nova Scotia  
B3J 3L1  
Tel: (902) 429-0426  
Fax: (902) 423-0881

## **International Trade Centres**

If you have never marketed abroad, please contact the Department of External Affairs' International Trade Centre in your province. As noted earlier, International Trade Centres are co-located with the offices of Industry, Science and Technology Canada, except for the Northwest Territories and the Yukon.

### **Alberta**

International Trade Centre  
Industry, Science and  
Technology Canada  
Cornerpoint Building  
Suite 505  
10179 - 105th Street  
Edmonton, Alberta  
T5J 3S3  
Tel: (403) 495-2944  
Telex: 037-2762  
Fax: (403) 495-4507

### **Nova Scotia**

International Trade Centre  
Industry, Science and  
Technology Canada  
1496 Lower Water Street  
P.O. Box 940, Station M  
Halifax, Nova Scotia  
B3J 2V9  
Tel: (902) 426-6125  
Telex: 019-22525  
Fax: (902) 426-2624

## **British Columbia**

International Trade Centre  
Industry, Science and  
Technology Canada  
P.O. Box 11610, Suite 900  
650 West Georgia Street  
Vancouver,  
British Columbia  
V6B 5H8  
Tel: (604) 666-1437  
Telex: 045-1191  
Fax: (604) 666-8330

## **Manitoba**

International Trade Centre  
Industry, Science and  
Technology Canada  
330 Portage Avenue  
Room 608  
P.O. Box 981  
Winnipeg, Manitoba  
R3C 2V2  
Tel: (204) 983-4099  
Telex: 075-7624  
Fax: (204) 983-2187

## **Ontario**

International Trade Centre  
Industry, Science and  
Technology Canada  
Dominion Public Building  
4th Floor, 1 Front Street  
West  
Toronto, Ontario  
M5J 1A4  
Tel: (416) 973-5052  
Telex: 065-24378  
Fax: (416) 973-8714

## **Prince Edward Island**

International Trade Centre  
Industry, Science and  
Technology Canada  
Confederation Court Mall  
134 Kent Street, Suite 400  
P.O. Box 1115  
Charlottetown,  
Prince Edward Island  
C1A 7M8  
Tel: (902) 566-7443  
Telex: 014-44129  
Fax: (902) 566-7450

## **New Brunswick**

International Trade Centre  
Industry, Science and  
Technology Canada  
Assumption Place  
770 Main Street  
P.O. Box 1210  
Moncton, New Brunswick  
E1C 8P9  
Tel: (506) 857-6440  
Telex: 014-2200  
Fax: (506) 857-6429  
Toll Free: 1-800-332-3801

## **Newfoundland and Labrador**

International Trade Centre  
Industry, Science and  
Technology Canada  
90 O'Leary Avenue  
P.O. Box 8950  
St. John's, Newfoundland  
A1B 3R9  
Tel: (709) 772-5511  
Telex: 016-4749  
Fax: (709) 772-5093



## **Quebec**

International Trade Centre  
Industry, Science and  
Technology Canada  
Stock Exchange Tower  
Suite 3800  
800 Place Victoria  
P.O. Box 247  
Montreal, Quebec  
H4Z 1E8  
Tel: (514) 283-6796  
Telex: 055-60768  
Fax: (514) 283-3302

## **Saskatchewan**

International Trade Centre  
Industry, Science and  
Technology Canada  
6th Floor  
105 — 21st Street East  
Saskatoon, Saskatchewan  
S7K 0B3  
Tel: (306) 975-4343;  
(306) 975-5318  
Telex: 074-2742  
Fax: (306) 975-5334

## **Industry, Science and Technology Canada**

As noted above, the offices of Industry, Science and Technology Canada are co-located with the International Trade Centres, and are also situated in the following locations.

### **Business Centre**

Industry, Science and Technology Canada  
235 Queen Street  
Ottawa, Ontario  
K1A 0H5  
Tel: (613) 995-5771

### **Northwest Territories**

Industry, Science and  
Technology Canada  
10th Floor, Precambrian  
Building  
P.O. Bag 6100  
Yellowknife, Northwest  
Territories  
X1A 2R3  
Tel: (403) 920-8568  
Fax: (403) 873-6228  
AES: (403) 920-2618

### **Yukon**

Industry, Science and  
Technology Canada  
108 Lambert Street  
Suite 301  
Whitehorse, Yukon  
Y1A 1Z2  
Tel: (403) 668-4655  
Fax: (403) 668-5003

## **In Barbados**

Commercial Division  
Canadian High  
Commission  
Ambleside, Bishop's Court  
Hill

P.O. Box 404  
Bridgetown, Barbados  
Tel: (809) 429-3550  
Telex: 2247 CANADA WB

Barbados Chamber of  
Commerce  
1st Floor, Nemwil House  
Collymore Rock  
St. Michael, Barbados  
Tel: (809) 426-0747

Industrial Development  
Corporation  
Pelican House  
Princess Alice Highway  
Bridgetown, Barbados  
Tel: (809) 427-5350  
Telex: 2295 BARDEV WB

Barbados Manufacturers  
Association  
Prescod Boulevard  
Harbour Road  
St. Michael, Barbados  
Tel: (809) 426-4474

Comptroller of Customs  
Customs and Excise  
Department  
University Row  
Bridgetown, Barbados  
Tel: (809) 436-6091

## **Banks**

Bank of Nova Scotia  
Broad Street  
Bridgetown, Barbados  
Tel: (809) 426-0230

Royal Bank of Canada  
Broad Street  
Bridgetown, Barbados  
Tel: (809) 426-5200

Canadian Imperial Bank of  
Commerce  
Broad Street  
Bridgetown, Barbados  
Tel: (809) 426-0571

Notes

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Barbados, a guide for Canadian  
exporters. --  
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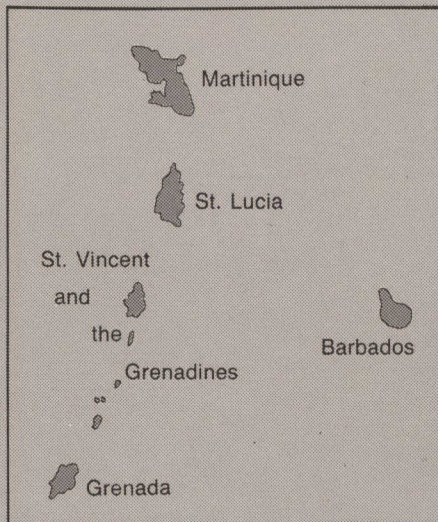


# Barbados

Scale 0 1 2 3 km

## Legend

- Capital
- City
- ✈ Airport





External Affairs  
Canada

Affaires extérieures  
Canada

Canada