



**THE GAINS FROM TRADE LIBERALISATION:  
THE CASE OF THE MANUFACTURING SECTOR  
IN BARBADOS**

by

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**Abstract**

*Historically, the absence of competition in developing countries has resulted in highly concentrated domestic industries that do not fully exhaust economies of scale, and as a result are characterised by high cost and low productivity. Yet, these industries continue to prosper behind the high walls of protection offered. Liberalisation is expected to reverse this trend but at what cost. Like many of its regional counterparts, Barbados has already instituted some liberalisation measures as part of their World Trade Organisation (WTO) commitments and further liberalisation is planned for subsequent years. The paper examines the impact of the changes to the existing trade regime in Barbados by utilising an import demand framework and offers some useful insights for the Caribbean region. The results of this analysis indicate that the manufacturing industry could encounter tremendous price competition, which given the inelasticity of demand for imported manufactured goods, evident in most small island economies, could compromise the future survival of these industries. As a result, to effectively compete in the new global trading environment, regional industries will need to reorganise production processes to increase efficiency.*

JEL: F14, F13, L60

Keywords: Trade liberalisation, Trade Policy, Manufacturing

## 1. Introduction

Over the last two decades the global marketplace has undergone significant changes with the rapid advancement of technologies and emerging mega-trading blocs. In recent times, the aim has been to reap the benefits of free trade through improved access to the global marketplace. The trend is towards the opening up of all economies, with efforts concentrated on the removal of tariff and non-tariff barriers. As a result, Barbados, like its regional counterparts, must face the challenges of achieving economic growth in a rapidly changing global environment.

Within the Caribbean region, the focus is on the formation of a Free Trade Area of the Americas (FTAA), with regional governments committing themselves to the gradual removal of existing barriers to trade among themselves. This is expected to be a precursor to acceding to the FTAA. Gainers and losers are expected to emerge with the greater international exposure that regional companies will face requiring some alterations to the production process in these economies. A more imminent concern is the trade liberalisation measures which regional governments must institute as part of their commitment to WTO. In this regard, the likely impact of these developments on the manufacturing sector needs careful consideration, given its important role in the development of these economies. An examination of the Barbadian manufacturing industry offers some useful insights for the Caribbean region as a whole.

This paper undertakes an assessment of the implications of trade liberalisation on the manufacturing sector beginning with a brief examination of the structure of the sector and

trade liberalisation in sections 2 and 3, respectively. Section 4 highlights the methodological issues in measuring the impact of trade liberalisation and provides a quantitative and qualitative analysis of these changes. A summary of the findings of the paper are then presented in section 5.

## 2. The Manufacturing Sector in Barbados

### 2.1. Overview

Industrialisation has been theoretically purported to be a significant contributor to growth and development. Capitalising, however, on the full benefits of industrialisation depends on the establishment of certain backward and forward linkages. The absence of these linkages limits the growth potential of the sector and the extent to which it can act as an impetus for economy-wide growth. This largely explains the inertia evident in the manufacturing sector in Barbados. The nature of manufacturing activity that emerged clearly did not and could not provide the kinds of benefits, which the theory purports. Nevertheless, the sector in Barbados has played a role in the acceleration of economic growth and the achievement of a better standard of living, though in a very limited way.

### 2.2. The Contribution of Manufacturing

Prior to its deliberate efforts to industrialise the manufacturing sector's contribution to total value added was merely 5.8% (1960s). The sector's contribution to real gross domestic product (GDP) almost doubled in the decade of the 70s, exceeding the growth rate of the economy as a whole, employing approximately 15% of the labour force and contributing

significantly to the growth of exports. That the sector would eventually experience stagnation and a downturn in activity is almost fortuitous given the types of activities that emerged during the period. Wearing apparel, food and beverages and tobacco accounted for most of the growth in manufacturing and to a much lesser extent wood furniture, building materials and paints. A number of industries were later established to produce goods exclusively for export, namely electronic equipment and pharmaceutical products. The small domestic economy offered little scope for reaping the benefits of economies of scale and the narrow resource base provided few opportunities for sourcing the needed raw materials locally. The manufacturing activities which therefore emerged were heavily dependent on imported inputs, an extremely costly feature given Barbados' fixed exchange rate regime of BDS\$2.00 to US\$1.00. The high levels of protection and fiscal incentives offered were thus vital for the survival of these enterprises, which flourished for a period.

The incentives offered to promote the Government's development strategy of industrialisation by invitation, long herald as the saviour of the developing world, encouraged the growth of an electronic component industry and pharmaceutical products. However, these sectors were enclaves of activity separate from the economy as a whole. Predominantly foreign-owned and operated, they amassed substantial foreign capital and in their heyday made a substantial contribution to export growth so that total manufacturing exports was growing at almost twice the rate of growth of total domestic exports.

With external forces dictating the future of this industry and with the changing fortunes of the electronic components industry in the mid-1980s, manufacturing output sank to its

lowest level in ten years. It was the rapid growth of electronics, which had sustained manufacturing output, even as output in the other major sub-sectors had stagnated and declined. The demand for the Barbadian product of electronic component was reduced by one fifth with the slump in the American market as the industry faced strong Japanese competition and prices of electronic components declined by about 30%. One of Barbados' leading plants for the assembly of electronic components, Intel Corporation, closed its plant in October and concentrated global output at mature plants elsewhere in an effort to match strong Japanese competition. This outcome resulted in a reduction in real value-added in this sub-sector of 10%. The closure of the Barbados plant cost the economy approximately \$15 million in annual retained value-added and 950 jobs. As more of the remaining electronic companies closed their doors, there was a significant fall-off in the production and export of electronic components. In addition, the other major sub-sectors, involved in export activity, garments, chemicals and furniture, were affected by regional trade restrictions.

Again, in the mid-1980s the sector's contribution to real GDP returned to levels comparable to those of the pre-1970s - lows of 7.1%. This outcome would have been worse had it not been for the protection local producers enjoyed in the domestic market. Later, the opening of the domestic market to regional competition, with the introduction of a CET as part of CARICOM common market efforts, would affect even this segment of the industry. By the end of the decade of the 1980s, the manufacturing sector had lost most of its dynamism. While the sector continued to play a pivotal role in the economy, it was no longer the dominant sector with its contribution to real GDP declining to around 9.9% down from

11.8% at the beginning of the decade. The sector was no better placed in the early 1990s, continuing to be plagued with problems of contracting markets and cash flow problems, resulting in further declines in output. Growth in the sector was hampered by its inability to effectively compete in the region and at home, where it continued to lose ground to relatively cheaper regional imports. There were declines in output in all the major subsectors with the exception of the electronic components subsector which increased output sharply for the first time since the closure of some of the major electronic assembly firms during the mid-1980s.

By the end of the 1990s, the manufacturing sector had lost much of the ground it had gained in the late 1970s and early 1980s. Its contribution to GDP was at 9.6% compared with 12.8% during its peak years. Now on the eve of a new millennium, Barbados manufacturing industry is about to face yet its greatest hurdle, trade liberalisation.

### 2.3. *Contributing factors to the Development of the Sector*

According to Cox (1982) and Whitehall (1984), the nature and structure of incentives and protection offered are important determinants of the overall performance of the sector. In Barbados, incentives and tariff protection were part of a deliberate policy by government to promote industrialisation. The early measures centred on fiscal incentives, followed in the 1970s by deliberate tariff protection, uniformly imposed and by quantitative restrictions, interest rate subsidies, credit insurance and other promotion and support.

Most of the incentives were legislated in the form of either a pioneer industries or fiscal incentives ordinance. The packages included a tax holiday and duty-free imports of raw materials, fuels and components, for a specified period. The period depended mainly on the degree of processing involved, the potential employment creation and the retained local value added of the enterprise. The tax-free holiday incentive was provided mainly to those industries producing for export. Firms producing for export only, were immediately granted the maximum period of ten years. The size of the capital investment is also a deciding factor in determining the length of the tax holiday.

In addition to the active promotion of the sector by Government through tax incentives, import licensing, other benefits were also provided; these included low cost factory space and the provision of grants and loans. Several institutions were established to assist the sector, including the Barbados Development Bank (BDB) and the Barbados Industrial Development Corporation (BIDC) in 1969, the Barbados Institute for Management and Productivity (BIMAP) in 1972 and the Barbados National Standards Institution (BNSI) in 1973.

In the Barbadian case, Cox (1982) noted that incentives seem more important to certain types of manufacturing activities. A ranking of manufacturing activities by incentive status (which is determined by the proportion of factories established with incentives) showed a strong correlation between export industries and incentive status. Incentives were used as an export promotion technique. Industries manufacturing only for export enjoy some incentive assistance whereas some enterprises producing for home consumption did not

rely on fiscal incentives. Import restrictions and protective tariffs tended to be more important to them.

Whitehall (1984) found that tariffs were the most important contributor to the effective rate of protection in Barbados. Garments and furniture activities mostly benefited from exemptions on input duties. The corporation tax incentive was insignificant except for electronics and, to a lesser extent, garments, pharmaceuticals and structural products.

Whitehall (1984) also found that nominal protection favoured activities with higher levels of value added and higher export ratios. This protection was generally inversely related to the depth of processing and was higher on consumer goods than on producer goods. Where products within a single activity were both exported and sold in the home market, home sales enjoyed higher protection because of the tariff on the final product. Levels of effective protection did not differ with variations in the proportion of domestic value added or product group. In addition, there were no items receiving outrageous levels of protection. The effective protection levels were high only because value added was low in many areas of activity. Protection is generally slanted in favour of activities with higher value added and greater export ratios, in line with the official policy.

These measures shaped the industry and determined the types of manufacturing activities that emerged; largely those that were not heavily based on the use of domestic materials. The failure of these activities to generate economy-wide growth and their later stagnation can be largely blamed on the environment of protection and incentives. A number of

studies have found that fiscal incentives based on individual country cases and cross-country comparisons lack effectiveness [Andic and Andic, 1973; Lent, 1967]. The argument is that incentives seldom generate rapid industrial expansion, that they incorporate elements which conflict with the objectives of development and that it is uncertain whether the benefits they provide outweigh their cost. Incentives can make unsound ventures viable which seems to have been the case for Barbados. As a result, the industrialisation process did not result in a structural transformation of the economy, which implies both backward and forward linkages of sectors within the economy. The marked absence of any meaningful domestic inter-sectoral linkages, a characteristic of the sector throughout the Caribbean, meant that a serious constraint was placed on the growth of the sector in the region. What can we therefore expect of this sector as it faces the challenge of liberalisation after decades of protection.

### **3. Domestic Manufacturing and Liberalisation**

#### *3.1 Trade liberalisation*

Krueger (1978) and Bhagwati (1978) defined trade liberalisation as any policy that reduces the degree of anti-export bias within a country's trade regime. There has been a paradigm shift towards global free trade evident from the emergence of several mega-trading blocs (for example, the European Union and the North American Free Trade Area) and more notably the acceleration of the progress towards a global market place facilitated by the General Agreement on Trade and Tariffs (GATT) and its successor agreement WTO. The latter entered into force on January 1, 1995 and has subsequently accelerated the process of opening the markets of all economies. Most countries in the world are signatories to the

WTO agreement, including the Caribbean, which commits them to the fulfilment of the objectives of achieving global free trade. As a result, they are obliged to comply with the organisation's rules governing international trade.

### 3.2 *Changes to the Existing Trade Regime in Barbados*

The first step in the move towards this process of global free trade is 'tariffication', which began for Barbados, with the introduction of a system of bound rates on April 1, 2000. This is the process of creating a more transparent system of protection for domestic concerns, by replacing non-tariff barriers with tariff-equivalents. Complete liberalisation of trade in goods and services, national treatment for all goods and services regardless of origin and the practice of reciprocity, is expected to follow.

The conversion of licences to their tariff equivalents was based on the calculation of a price differential between the domestic and the world market as shown below:

$$T = \frac{P_d - P_w}{P_w} * 100 \quad (1)$$

where T is the tariff equivalent,  $P_d$  is the domestic price and  $P_w$  is the world price. This formula was utilised, in accordance with the WTO agreement, to arrive at the base rate of duty applicable in 1995. Previously, licences were put in place to protect sensitive industries. To this end, where products were on licence, the maximum rate allowed under WTO agreements was recommended; otherwise, the current rate of duty remained in effect (Agriculture Planning Unit, Barbados, 2000). The exceptions were inputs in domestic

production, commodities not produced locally, products not produced for infant use and commodities for special revenue consideration.

From this level, the rates were supposed to be reduced to some fixed ceiling in 2004. For Barbados, the WTO stipulations called for a decline in the bound rates of 24% for agricultural goods over a ten-year period, beginning 1995. It should be noted that some goods classified in this study as manufactured goods are seen as agricultural goods under WTO agreements.

This gradual process of liberalisation is intended to allow member countries, especially less developed countries (LDCs), to make the necessary arrangements to become more competitive. Firms in LDCs must now face the challenges of international competition after decades of protection and the adjustment is expected to be difficult. To further ease the process, WTO regulations also allow for the implementation of a special quota-system.

The special quota system is comprised of 'in-quota' and 'out-of-quota' rates. Under the former, a predetermined quantity of imports, 3% of domestic consumption, is allowed into the country over a specified period of time. These imports will be taxed at the lower bound rate, which is the level of the tariff at 2004. Imports in excess of the 'in-quota' are then subjected to the 'out-of-quota' rate, which is the maximum bound rate that can be applied under WTO rules.

Nevertheless, the adjustment is expected to be a difficult one, as firms in LDCs must now face the challenges of international competition after decades of protection. How will these firms fair? Will they rise to the challenges posed and improve efficiency or will the challenge prove too much? The answers to these questions are important to LDCs. Measuring the impact of these trade liberalisation measures is therefore vital to planners and those involved in negotiating future WTO and other trade related measures.

#### 4. Measuring the Potential Impact of Trade Liberalisation

The approach to be utilised largely depends on if the objective is to simulate the likely impact of trade liberalisation based on computable general equilibrium (CGE) models or consider the impact of existing liberalisation [see Hetel *et al* (1998) and Collier *et al* (1992)]. In the case of Barbados, both approaches might be useful as liberalisation is ongoing. A CGE model would be useful for simulating the effects of future liberalisation measures. Unfortunately, the extensive data requirements of the model pose a challenge to its utilisation for the Barbadian economy. Similarly the before and after approach though more feasible than the CGE modeling, the sectoral level data needed is not available.

##### 4.1. Trade Liberalisation and Price Competition

An alternative and less data-demanding technique involves estimating the resulting change in import prices in the domestic market. Lewis-Bynoe *et al* (2000) utilised this technique for Barbados, where prices of domestically produced goods are compared with their imported equivalents. This approach revealed the extent of price competition that local producers face following trade liberalisation measures. Lewis-Bynoe *et al* (2000) found that for almost half of the products affected by the introduction of the new bound rates, the domestic price is higher than the import price for a similar good. Industries producing these products now encounter significant price competition. Barbados did, however, have a significant price advantage for certain categories of products (orange juice, grapefruit juice, pineapple juice, apple juice, chicken sausages, hams and other types of meats).

This analysis, however, says nothing about consumers' responses to these price changes, which is critical to our assessment of the impact of these developments. Consumers' decisions logically determine the effect that changes in prices will have on the economy. Import demand may, in fact, remain unchanged if consumers' demand for imported goods is irresponsive to changes in price, that is, if demand is inelastic with respect to price. If this is the case these recent policy changes may have an even more devastating effect on the economy.

Hence, an assessment of the impact of these policy changes would not be complete without an examination of the price elasticity of demand for imports. This is facilitated with the use of an import demand framework. Several studies have been conducted in the

area of import demand for Barbados, because of the importance of imports to small island economies, like Barbados, Worrell (1988), Craigwell (1994) and Jordan and Greenidge (1999). These studies have identified a similar model of import demand for Barbados, which is given below:

$$\ln\left(\frac{IMP}{P_m}\right)_i = \alpha + \beta_1 \ln\left(\frac{Y}{P_d}\right)_i + \beta_2 \ln(P_m)_i \quad (2)$$

where:

IMP is nominal imports for a given category of imports,

Pm is the import price index,

Y is nominal GDP, and

Pd is the domestic price index.

This paper utilises this model, regressing real imports on real GDP and the import price index, with the theoretical suggested relationship that demand is positively related to real GDP and inversely related to price. The equation is estimated for the economy as a whole by the method of generalised least squares. The panel data model was chosen because the data set is relatively short with  $t = 1978..1990$  and  $i$  representing the various categories of manufacturing imports namely, fuel, construction materials, chemicals, textiles and food and beverages. The data are obtained from the *Annual Statistical Digest* (1999) published by the Central Bank of Barbados. The results of the estimation are given below:

### Real Imports

$$\ln\left(\frac{IMP}{P_m}\right) = -19.251 + 3.399 * \ln\left(\frac{Y}{P_d}\right) - 0.912 * \ln(P_m) \quad \bar{R}^2 = 0.906$$

(-30.212) (25.058) (-11.213)  $s = 0.685$  (3)  
 $F = 310.1649$

where: t-statistics in parentheses and s is the standard error of the regression.

The results of the pooled regression indicate that real GDP and import prices are significant determinants of import demand, with theoretically consistent signs on the coefficients. Increasing real GDP leads to a rise in demand for imports and as expected import prices are inversely related to import demand. Therefore, any given increase in import prices through the implementation of the new bound rates would result in reduced demand for a given item. However, the magnitude of the coefficient of import prices suggests that import demand for manufactured goods is inelastic with respect to prices. Although consumers will reduce demand in response to an increase in price, the size of the percentage change in quantity demanded will be smaller than the percentage change in the price of manufactured goods. This reveals a strong consumer preference for imported goods, which implies that even with the higher import tariffs domestic manufacturers should expect to encounter strong competition. Moreover, the high income elasticity of imported manufactured goods suggest that as incomes continue to rise consumers will increase their demand for imported goods by a proportionately greater amount than the change income.

A similar analysis can be done for that category of imports that is likely to be most affected by these changes in the existing trade regime, namely food. Equation (2) was estimated using the Generalised Method of Moments (GMM). The GMM estimator computes the estimates of the regression parameters so that the sample correlation between the instruments and the function,  $f$ , are as close as possible to zero. This is defined by the criterion function below:

$$G = m(\theta)' Am(\theta) \quad (4)$$

where  $m(\theta) = f(\theta)' Z$

where:  $A$  is a weighting matrix,  $\theta$  are the parameters to be estimated and  $m$  are the sample moments. The method was selected because it was suspected that the relatively small sample size might have introduced autocorrelation bias in the estimates. The GMM estimates provide robust estimates of the parameters even in the presence of autocorrelation by using a Heteroskedasticity Autocorrelation Consistent (HAC) covariance matrix. The quadratic spectral (QS) kernel was used to weight the covariances since it is smooth and not truncated and converges faster than competing methods (for example Barlett's method) [Andrews (1991)]. The bandwidth was selected using the Andrews (1991) method. The results of this estimation are given below:

#### Real Food Imports

$$\ln\left(\frac{IMP}{P_m}\right) = -6.383 + 1.026 * \ln\left(\frac{Y}{P_d}\right) - 0.189 * \ln\left(\frac{P_m}{P_d}\right) \quad \bar{R}^2 = 0.860$$

(-7.503) (7.874) (-3.005)  $s = 0.048$  (5)

where t-statistics in parentheses and  $s$  is the standard error of the regression. The regression explains 86% of the variation in real food prices through changes in domestic and imported prices and changes in real GDP. All the coefficients are significant at the 1% level and have the theoretically correct signs. These results suggest that the demand for food imports is not highly responsive to changes in prices, similar to the demand for overall imports; a result perhaps, of the high propensity to import goods alluded to earlier. The significance of the coefficient of relative prices for manufactured food implies that there is a tendency to substitute between domestically produced and imported goods as a result of price changes. This suggests that domestic producers need to ensure that they are competitive to survive in an environment of declining import prices.

#### 5. Conclusion

In the context of the Barbadian economy, the impact of trade liberalisation is likely to be significant. Although, the new bound rates do not apply to most of the manufactured goods imported into the country, given the relatively inelastic demand for most imported items, domestic producers can expect to face tremendous pressure from importers. As the import duties and bound rates continue to fall due to future WTO negotiations, local producers would be inundated with a variety of imported goods competing for their share of the domestic market. In the case of the manufactured food items, the strong substitution effect, between local and imported varieties is cause for concern. A large percentage of manufacturing enterprises in the region are engaged in food processing, a natural extension of their agriculturally based economies. Reducing tariff protection could be harmful to most of these firms unless they are able to quickly restructure their production

processes. Further research is needed given the importance of these industries to the survival of Caribbean and should be given priority in light of proposed future liberalisation in the context of ongoing WTO negotiations.

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Table 1: Retained Imports of Manufactured Goods

YEAR	CHEMICALS	CONSTRUCTION MATERIALS	FOOD	FUEL	TEXTILES
1970	7.9	19.1	47.4	5.6	12.9
1971	8.4	18.4	50.9	1.5	12.5
1972	10.4	20.7	60.2	4.9	14.9
1973	13.6	31.4	74.2	12.8	19.9
1974	17.2	31.5	91.4	31.8	18.9
1975	17.3	22.4	92.8	46.7	19.5
1976	21.5	32.2	97.2	40.5	25.0
1977	23.2	34.7	103.5	47.5	24.2
1978	29.8	39.5	122.7	23.1	27.1
1979	40.5	54.8	137.2	92.3	37.8
1980	50.5	78.6	163.5	107.9	39.3
1981	51.4	83.2	179.2	143.7	43.5
1982	43.5	77.1	161.6	84.8	33.9
1983	50.3	64.5	156.5	59.3	41.9
1984	44.3	57.9	160.4	68.1	29.9
1985	41.7	47.5	158.4	53.1	24.6
1986	50.8	51.7	159.9	25.5	27.5
1987	50.9	61.9	176.2	53.4	35.4
1988	64.5	74.8	192.6	52.8	39.5
1989	71.5	90.9	213.9	70.4	41.3
1990	71.9	89.9	208.4	85.3	34.9

Source: Central Bank of Barbados, *Annual Statistical Digest*, 1999.

Table 2: Tariff Rate Changes

Description of Goods	Rate of Duty (%)	Bound Rate of Duty (%)
Soya bean oil and its fractions, whether or not refined, but chemically modified		
Crude oil, whether or not degummed	40	194
Other	40	194
Palm oil and its fractions, whether or not refined, but chemically modified		
Palm stearin	40	40
Sausages and similar products of meat, meat offal or blood; food preparations based on these products		
Chicken sausages, canned	20	210
Other chicken sausages	20	210
Salami sausages	20	210
Other sausages, canned	20	210
Other	20	210
Other prepared or preserved meats, meat offal or blood		210
For use in the production of chicken sausages	5	210
Other	15	210
Of liver of any animal	20	210
Cured or smoked turkey	20	210
Other turkey	20	210
Other	20	210
Hams and cuts of swine	20	210
Shoulders and cuts of swine	20	210
Luncheon meat	20	210
Other of swine	20	210
Other of bovine	20	210
Comed mutton	20	210
Other of blood of any animal	20	210
Other (not containing eggs) uncooked pasta, not stuffed or otherwise prepared		
Macaroni, spaghetti and elbows	20	100
Other	20	20
Jams and fruit jellies, marmalades, fruit or nut puree and fruit or nut pastes, being cooked preparations, whether or not containing added sugar or other sweetening matter		
Other homogenised preparations not for the infant use	20	161
Fruit puree and fruit paste, not in retail packages	15	161
Other	20	161
Fruit puree and fruit paste, not in retail packages	15	161
Pineapple based	20	161
Guava jams and jellies	20	161
Guava cheese	20	161
Nutmeg jams and jellies	20	161
Other	20	161

Fruit juices (including grape must) and vegetables juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter		
Orange juice (not concentrated or for infant use)	40	161
Grapefruit juice (not concentrated or for infant use)	40	161
Pineapple juice (not concentrated or for infant use)	20	161
Apple juice (not concentrated or for infant use)	20	161
Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading no. 20.09		
Aerated beverages	20	141
Other	20	141
Malt beverages	20	141
Beer made from malt		
Beer	\$2.64/1	141
Stouts	\$2.64/1	141
Other fermented beverages (e.g., cider, perry, mead); mixtures of fermented beverages and mixtures of fermented beverages and non-alcoholic beverages, not elsewhere specified or included		
Shandy	\$2.64/1	141
Organic surface-active agents (other than soap); surface-active preparations, washing preparations (including auxiliary washing preparations) and cleaning preparations whether or not containing soap, other than those of heading no. 34.01		
Detergents (other than dishwashing liquids and other liquid detergents)	20	82
Other detergents	20	82
T-shirts made of cotton	20	117
T-shirts made of other textile materials	20	117

Source: The Customs Tariff (Amendment) Order, 2000, Directory of Manufacturers & Service Companies 1995.

