



INSIDE:

Is the Logistics Hub a Pipe Dream in Jamaica?
Part 2 of the 3 part series

Flexible Financing Options for Your Business

POWERED BY:
Digicel BUSINESS
Complete solutions for your business needs.



25B SPECIAL ADVERTISING



Global Logistics Hub

Looking at the Logistics Dream part 2

Logistics Hub, Pipe Dream?

Part 2 of 3 • written by Ian Boyne, Columnist

This photo shows one of the uninhabited, mangrove-fringed Goat Islands in southern Jamaica. The islands are the proposed site of a Chinese-led port development to be part of a broader logistics hub network in Jamaica. - AP

Comparisons with nations

What the paper does is not only to compare Jamaica with its regional competitors, but also with world-class leaders in logistic development like Singapore and Dubai. I read this paper a day before I listened to a very fascinating lecture by Harvard's associate professor, Dr Matt Andrews, who, on the invitation of HEART Trust/NTA, spoke last Thursday on 'A Growth Diagnostic for Jamaica - Getting Past Binding Constraints'. Andrews was very blunt in dealing with Jamaica's policy failures and disappointing economic performance over the last 50 years.

One of the strong points he made as he compared Jamaica with high-performing Singapore is that Singapore did not develop its economy by simply pursuing general macroeconomic stability. As I pointed out in my critique of Dr Damien King recently, Singapore applied industrial-policy strategies and picked winners. Singapore targeted particular sectors. Andrews pointed to Singapore and also to Costa Rica as examples of industrial targeting. Costa Rica, when it wanted to develop its ICT industry, specifically targeted one of the biggest firms, Intel, and provided incentives for Intel to invest, pulling other IT firms in the process.

Here in Jamaica, we are being advised against targeting sectors or picking winners. We are told to just apply general neo-liberal strategies which should then draw investors. But Andrews said something I was forced to write down: "General policies for general growth lead to general failure." That's memorable! I hope our policymakers are reading this.

Says the CaPRI paper: "The development of Singapore's logistics hub was catalysed by the attraction of a number of multinational giants in the hub core through providers of logistics and transportation services, as well as in the supported and related industries in sectors such as petrochemicals, IT and finance. Dubai followed a similar model and by 2006 was able to attract a quarter of the world's top 500 companies."

Jamaica has done relatively well in attracting foreign direct investments (FDI) as evidenced by the latest World Investment Report, but what this paper points out is that it is important not just to have strong aggregate FDI figures, but for a logistics-centred development strategy, you must attract certain types of investments.

to be continued next Wednesday, March 11



GeoTechVision Enterprises Limited is a private company specializing in innovative Spatial Technology and ICT Solutions. The company focuses on "Delivering Value through Innovative Solutions." They have been assisting Government Agencies and Ministries across the Caribbean to develop and effectively use spatial intelligence in critical decision making. Their footprint across the Caribbean region has also seen them working with public and private organizations in utilities, insurance, real estate and transportation; non-governmental and donor agencies and individual consumers in delivering our services. They are regional agents for vendors of mobile Geographic Information Systems (GIS), Geomatics and ICT products. They are very involved with establishing GIS, GPS and Mobility products and solutions, as well as marketing our own Geo™ brand tablet.

They consider Human Capacity Building as very critical, right from the classroom to the work

environment. Hence, our Classroom Management Solution and their strong focus on Training and Development in all their engagements. GeoTechVision's other consulting services include Project Management, Information Security Advisory, Process Audit and Assurance, Business Analysis and Enterprise GIS solution planning and Implementation.

The GeoTechVision team is a cadre of qualified professionals providing clients with high-end products and services. The principals and staff of GeoTechVision along with our business associates have worked extensively in the Caribbean region, namely: Jamaica, Barbados, The Bahamas, Turks and Caicos, Belize, British Virgin Islands, US Virgin Islands, Grenada, Guyana, St. Maarten, St. Lucia, St. Vincent, Trinidad and Tobago and Surinam.

Their mission is to create value through ongoing GIS and ICT innovations that help their clients to leverage technologies that deliver expected benefits and maximize ROI (Return on Investment). GeoTechVision are committed to value creation and an unparalleled customer experience by continuously seeking to improve their delivery process but never compromising their quality, integrity and professionalism.

The EXIM Bank... facilitating the growth of **SMEs** is what we do!

With attractive loan rates on

J\$ LOANS & US\$ LOANS

We have you covered with:

- ✓ Foreign Currency Lines of Credit
- ✓ Trade Credit Insurance
- ✓ SME Growth Initiative

- ✓ Energy Loan
- ✓ Modernization Fund
- ✓ FSMA Loan

Apply today!

www.eximbankja.com
T: 876.630.1400
C: 876.618.5889
info@eximbankja.com

Wednesday, March 4, 2015 THE DAILY OBSERVER www.jamaicaobserver.com