

An Analysis of Trade Potential between CARICOM and China: What Opportunities Exist for Increased Cooperation?

Lisandra Patrice Colley*

This paper examines the evolution of bilateral trade between the Caribbean Community (CARICOM) and China over the last decade (2004-2013) in order to quantitatively estimate trade potential. It aims to determine the extent and significance of current trade activity between CARICOM and China, as well as to unveil potential opportunities for increased trade cooperation. An empirical analysis is carried out using trade indices which reflect both partner-based and sectoral-based advantages. The results underscore the rising significance of China as a key trading partner for CARICOM countries. There is also a high degree of trade complementarity between the partners, and significant potential for intra-industry trade in key sectors.

JEL Codes: F13, F14, F15