

ABSTRACT

The study is initiated with the background to the European Union regime to set the tone for the impetus of this study. It is the economic occurrence of the Regime that has raised the debatable question as to whether the banana industry of the Island of St. Vincent can maintain a presence in the European Union due primarily to the erosion of the tariff-quota system that was institutionalized by the Lome Convention.

The author examines the impact of the Regime on the Banana Industry in St. Vincent and attempts to satisfy the specific objectives of determining the cost of production of St. Vincent bananas, the market perception of the quality of St. Vincent bananas to assess quality competitiveness and the evaluation of the price competitiveness of St. Vincent bananas. In addition the author will suggest strategies for the European Union to maintain a presence in this international market.

The author has devoted significant parts of the project to the literature review component, due mainly to the unavailability and of primary data sources.

The analytical framework which gave focus to the project was created to give structure to the project and highlight to the reader the analytical methods expounded on in the study. The author chose to include the indicators of international competitiveness throughout the study because maintaining a market share means that St. Vincent must be competitive due to exposure of the industry to direct sources of competition. Moreover concepts and theories from past scholars and professionals on this subject were incorporated to give a holistic view to the project.

The internet was the major research tool in conjunction with books which gave an insight into the measures of international competitiveness and the comparative coefficients The Export Comparison

Coefficient model was utilized to illustrate the competitiveness of the St. Vincent industry in relation to price.

Based on the methodology, the results showed the St. Vincent industry was not competitive. In addition strategies were developed to assist in framing the policies of the St. Vincent to remain competitive in the industry.