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# Caribbean Community (CARICOM)

## Origins, Achievements, The Future





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# THE CARIBBEAN COMMUNITY (CARICOM):

ORIGINS, ACHIEVEMENTS, THE FUTURE

PETER JONES

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GLOBAL THINKING RESEARCH & DEVELOPMENT

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## ECONOMIC DEVELOPMENT INSTITUTE

"The essence of the knowledge is, having it, to apply it; not having it, to confess your ignorance. Ignorance is the night of the mind, but a night without moon or star".

Confucius.

"It is not the degree that makes a great man; it is the man that makes the degree great"

Nicoli Machiavelli.

The Economic Development Institute under the theme **Global Thinking Research** was established in 2001. We are group of past students of the University of the West Indies living in and outside Jamaica. We came to the realization from when we were on the Mona Campus that in the **Information Age** we live in, successful people are those who have access to information. We formed a group to share in this **New Way of Thinking** and found it fruitful to our endeavours . Unfortunately, we had to restrict our information Databases in many cases as our lecturers and tutors deemed it fit to remain in a vacuum of limitation with regards to the evolution of the **New Information Paradigm**. We were clearly ahead of our time. We have developed this new product called the **Information Booklet Series (which there is a need for)**, the product provides **information on topical issues** in the areas of Management, Sports, Information Technology, Public Administration, Information and Communication, Economics, Economic Development, Social Development, Legal Education, Industrial Relations at competitive prices. We have kept it simple so that all can understand and appreciate. As such, we do not regard them as theses on the chosen areas and they do not seek academic recognition, however they do meet WIPO (World Intellectual Property Organization) Standards. We hope you will find

the following informative and instructive and as usual your comments would be appreciated.

**Peter W. Jones**  
**Executive Director**

## ACKNOWLEDGEMENT

We are extremely grateful to the CARICOM Secretariat for the invaluable amount of assistance and information provided to us and the many others who assisted us in making this document possible.

## INTRODUCTION

The Caribbean Community (CARICOM) in July 2003 celebrated 30 years of the signing of the Treaty of Chaguaramas. We will look at 30 years of CARICOM in synopsis, the Origins, Achievements and its Future.

The views of the various Caribbean leaders coming out of the Twenty-fourth Meeting of the Conference of Heads of Government of the Caribbean Community summarizes its Origins, Achievements and possible Future as follows:

In his introductory remarks at the Opening Ceremony<sup>1</sup>, Secretary-General of the Caribbean Community, pointed out on its 30th Anniversary that CARICOM was the longest existing integration movement among developing countries in the world. This, he said was a tribute to the tenacity of the Caribbean people and their leaders as well as an innate recognition of the necessity of integration.

In his address, the outgoing Chairman of the Conference Hon. Pierre Charles<sup>2</sup>, Prime Minister of Dominica, remarked that while we celebrate the 30<sup>th</sup> Anniversary of our Caribbean Community: “let us envisage a region that will be the epiphany of

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<sup>1</sup> Source: Communiqué issued on the conclusion of the Twenty-fourth Meeting of the Conference of Heads of Government of the Caribbean Community, which was held in Montego Bay, Jamaica, **July 2-5, 2003**.

<sup>2</sup> Ibid

interdependency. For it is only by merging our resources, our talents, our people, our voices that we will be true to the theme of our 30<sup>th</sup> Anniversary celebrations: *“INTEGRATION – OUR KEY TO PROSPERITY.”*

The Most Hon. Percival J. Patterson<sup>3</sup>, Prime Minister of Jamaica, the Chairman of Conference, said that if regional integration were an option before, it was now an absolute imperative. “That is the situation in which we meet here to celebrate the 30th Anniversary of CARICOM. It is time for celebration of the largest measure of unity the Caribbean has ever known. It is no small achievement. And let us be quite specific. It was not an achievement of political directorates alone; it was very purposefully an achievement of Caribbean people. For they have never wavered in their perceptions of Caribbean oneness”.

Hon. Said Musa<sup>4</sup>, Prime Minister of Belize stated in his address that integration had been CARICOM’s best hope for survival. “As we continue to advance this great work must ensure that the structures we build and the results we achieve are indeed designed to improve the welfare of the Caribbean man and woman.”

The Rt. Hon. Owen Arthur<sup>5</sup>, Prime Minister of Barbados, in giving an overview of the CARICOM Single Market and Economy, stated that at the end of the day, the CSME was intended to give rise to more competitive economies and its implementation must be guided by the precept that it was enterprises and not Governments which competed. “We must use the CSME therefore to evolve more competitive companies.” He quoted former Jamaican Premier Norman Manley in pointing out that “great causes are not won by doubtful men”. Prime Minister Arthur added that “now is not the time to doubt ourselves.”

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<sup>3</sup> Ibid

<sup>4</sup> Ibid

<sup>5</sup> Ibid

## THE ORIGINS OF THE CARIBBEAN COMMUNITY (CARICOM)<sup>6</sup>

### CARICOM EARLY BEGINNINGS

The establishment of the Caribbean Community and Common Market (CARICOM) was the result of a 15-year effort to fulfill the hope of regional integration which was born with the establishment of the British West Indies Federation in 1958. It was a Federal Government drawn from 10 member islands. Although a plan for a Customs Union was drawn up, emphasis was not placed on economic aspects of Federation during the four years of its existence.

Economically the Region remained as it had been for centuries and not even Free Trade was introduced between the Member Countries during this period. The West Indies Federation came to an end in 1962 but its end, in many ways must be regarded as the real beginning of what is now the Caribbean Community.

### THE END OF FEDERATION: CARICOM'S GENESIS

The end of the Federation meant the beginning of more serious efforts on the part of the political leaders in the Caribbean to strengthen the ties between the islands and mainland by providing for the continuance and strengthening of the areas of cooperation that existed during the Federation. To this end in mid-1962 a Common Services Conference was called to take decisions on these services, the major ones among them being the University of the West Indies (UWI), founded in 1948 and

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<sup>6</sup> Source: CARICOM Secretariat, CARICOM: The Community & Common Market

the Regional Shipping Services set up during the Federation to control the operation of the two ships donated in 1962 by the government of Canada - the Federal Palm and the Federal Maple.

The Caribbean Meteorological Service was established one year after, in 1963 and along with the UWI and the Regional Shipping Service, represented the heart of Caribbean cooperation directly after the end of the Federation.

In addition to the decision to continue the process of inter-state cooperation, notwithstanding the dissolution of the Federation, the year 1962 also marked two important developments of a Caribbean Community: the attainment of independence by both Jamaica and Trinidad and Tobago in August that year and with it the power to control their own domestic and external affairs.

## **THE CONCEPT OF CARICOM**

In announcing its intention to withdraw from the Federation, the Government of Trinidad and Tobago proposed the creation of a Caribbean Community, consisting not only of the 10 members of the Federation, but also of the three Guianas and all the islands of the Caribbean Sea - both independent and non-independent.

To discuss this concept, the Prime Minister of Trinidad and Tobago convened the **first** Heads of Government Conference in July 1963, in Trinidad and Tobago. This Conference was attended by the leaders of Barbados, British Guiana, Jamaica and Trinidad and Tobago. At this Conference, the leaders of the four (4) Caribbean Countries all spoke clearly of the need for close cooperation with Europe, Africa and Latin America.

## **CARIFTA (Caribbean Free Trade Area)**

The first Heads of Government Conference proved to be the first in a series of Conferences among the leaders of Commonwealth Caribbean Countries. In July 1965, talks between the Premiers of Barbados and British Guiana and the Chief Minister of Antigua on the possible establishment of a Free Trade Area in the Caribbean resulted in the announcement that month of definite plans to establish such a Free Trade Area. This was carried further in December that year (1965), when the Heads of Government of Antigua, Barbados and British Guiana signed an Agreement at Dickenson Bay, Antigua, to set up the Caribbean Free Trade Association (CARIFTA).

In the interest of common action and close cooperation among all the Commonwealth Caribbean territories, the actual start of the Free Trade Association was deliberately delayed in order to allow the rest of the Region, Trinidad and Tobago and Jamaica and all the Windward and Leeward islands to become members of the newly formed Free Trade Association.

The Fourth Heads of Government Conference agreed to establish CARIFTA formally and to include as many Commonwealth Countries as possible in a new agreement of December 1965. It was also agreed that the Free Trade Association was to be the beginning of what would become the Caribbean Common Market, which would be established (through a number of stages) for the achievement of a viable Economic Community of Caribbean Territories.

At the same time in recognition of their special development problems, several special provisions were agreed upon for the benefit of the seven Member States, which now make up the OECS States and Belize. The new Carifta agreement came

into effect on May 1, 1968, with the participation of Antigua, Barbados, Trinidad and Tobago and Guyana. The original idea to permit all territories in the Region to participate in the Association was achieved later that year with the entry of Dominica, Grenada, St. Kitts/Nevis/Anguilla, Saint Lucia and St. Vincent in July and of Jamaica and Montserrat on August 1, 1968. British Honduras (Belize) became a member in May 1971.

### **REGIONAL SECRETARIAT AND DEVELOPMENT BANK FORMED**

Emerging also from the 1967 Heads of Government Conference was the establishment of the Commonwealth Caribbean Regional Secretariat on May 1, 1968 in Georgetown Guyana and of the Caribbean Development Bank (CDB) in October 1969 in Bridgetown, Barbados.

### **CARICOM ESTABLISHED**

It was at the Seventh Heads of Government Conference in October 1972, that the Caribbean Leaders decided to transform CARIFTA into a Common Market and establish the Caribbean Community of which the Common Market would be an integral part.

At the Eighth Heads of Government Conference of CARIFTA held in April 1973 in Georgetown, Guyana the decision to establish the Caribbean Community was brought into fruition with the consideration of Heads of Government of the draft legal instruments and with the signing by 11 members of CARIFTA (the exception being Antigua and Montserrat). The Accord provided for the signature of the Caribbean Community Treaty on July 4 and its coming into effect in August 1973, among the then four independent countries: Barbados, Guyana, Jamaica and Trinidad & Tobago. The Georgetown Accord also provided that the other eight

territories - Antigua, British Honduras, Dominica, Grenada, Saint Lucia, Montserrat, St. Kitts/Nevis/Anguilla and St. Vincent which signed the Accord would become full members of the Community by May 1, 1974.

The Caribbean Community and Common Market (CARICOM) was established by the Treaty of Chaguaramas, which was signed by Barbados, Jamaica, Guyana and Trinidad & Tobago and came into effect on August 1, 1973. Subsequently the other eight Caribbean territories joined CARICOM. The Bahamas became the 13th Member State of the Community on July 4, 1983.

### **MEMBER AND ASSOCIATE MEMBER STATES JOIN CARICOM**

In July 1991, the British Virgin Islands and the Turks and Caicos became Associated Members of CARICOM. Twelve other States from Latin America and the Caribbean enjoy Observer Status in various Institutions of the Community and CARICOM Ministerial bodies.

Suriname became the 14th Member State of the Caribbean Community on July 4, 1995.

Haiti became the 15<sup>th</sup> Member State of the Caribbean Community on July 3, 2002.

### **CARICOM AT WORK**

From its inception, the Community has concentrated on the promotion of the integration of the economies of Member States, coordinating the foreign policies of the independent Member States and in Functional Cooperation, especially in relation to various areas of social and human endeavour.

Some of the principal issues currently on the regional agenda include: restructuring of Regional Organs and Institutions; and analysis of the impact of NAFTA on existing arrangements such as the Caribbean-Canada Trade Agreement, CARIBCAN and the Caribbean Basin Initiative (CBI); resolution of the Haitian crisis; strengthening of relations with the wider Caribbean through the establishment of trade and economic agreements with Venezuela, Columbia, and the wider Caribbean, the Association of Caribbean States; and deepening the integration process in the Community through the formation of a Single Market and Economy.

At the Eighth CARICOM Heads of Government Meeting in 1987 the Prime Minister of Barbados presented the concept establishing a representative and deliberate institution which associates the people of the Region through their chosen representatives, with the task of promoting the Regional development process. In 1989 at the 10th Conference of Heads of Government in Grenada, Barbados presented a discussion paper outlining a proposal. In March 1990, agreement was reached on a draft Inter Governmental Agreement providing for the establishment of the proposed body.

The inaugural meeting of the Assembly of Caribbean Community Parliamentarians (ACCP), took place in Barbados on May 27-29, 1996. To date the following Member States have signed and ratified the Agreement: Antigua and Barbuda, Barbados, the Bahamas, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts & Nevis, Saint Lucia, Trinidad and Tobago. Turks and Caicos Islands has deposited the instrument of accession.

The work on the CSM&E includes the negotiation of Protocols which will effectively amend the Treaty of Chaguaramas. The first of these, which provides

for the restructuring of the Organs and Institutions of the Community, and redefining their functional relationship entered into force provisionally on July 4, 1997.

Protocol II, on the rights of establishment, Provision of Services and Movement of Capital will enter into force upon signature by all Member States.

## **FREQUENTLY ASKED QUESTIONS (FAQS) ABOUT CARICOM <sup>7</sup>**

In preparing this section of the document we spoke with 250(105 Female and 145 Male) people in the Kingston area in the following age groups, 17- 24, 25-35 and 50 and older and we were amazed but not surprised of the limited knowledge of CARICOM expressed.

We found 43.5% of the females were aware of CARICOM but had limited knowledge. In the case of males interviewed, only 28.7% of males were aware, knowledgeable of CARICOM. We therefore felt it would be helpful to do this section on FAQS (Frequently Asked Questions) on CARICOM.

### **What is the Treaty of Chaguaramas?**

The Treaty of Chaguaramas is the Treaty, which established the Caribbean Community (CARICOM). It was signed at Chaguaramas, Trinidad, on 4 July 1973

### **When did the Treaty of Chaguaramas enter into force?**

The Treaty of Chaguaramas which established the Caribbean Community came into force on 1 August 1973.

### **Which countries are members of CARICOM?**

The CARICOM member states are: Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint

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<sup>7</sup> Source: CARICOM Secretariat, CARICOM: Information Services

Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

### **What are the specific objectives of CARICOM?**

The Community has the following objectives: (a) improved standards of living and work; (b) full employment of labour and other factors of production; (c) accelerated, co-ordinated and sustained economic development and convergence; (d) expansion of trade and economic relations with third States; (e) enhanced levels of international competitiveness; (f) organisation for increased production and productivity; (g) the achievement of a greater measure of economic leverage and effectiveness of Member States in dealing with third States, groups of States and entities of any description; (h) enhanced co-ordination of Member States' foreign and [foreign] economic policies; and (i) enhanced functional co-operation, including - (i) more efficient operation of common services and activities for the benefit of its peoples; (ii) accelerated promotion of greater understanding among its peoples and the advancement of their social, cultural and technological development; (iii) intensified activities in areas such as health, education, transportation, telecommunications.

### **How does CARICOM work?**

The meetings of the Heads of Government and of the ministerial Councils, also known as institutions, represent the main means of achieving consensus on regional issues and policies. The Conference of Heads of Government is the highest decision-making forum and the final authority of the Community. It is made up of the Heads of Government of the Member States. Because of the increasing number of issues to be decided and implemented, a subset of the Conference, called the Bureau, was instituted in 1992. The Bureau meets as necessary and reports to the Conference. The Community Council of Ministers is the second highest organ of CARICOM, and consists of Ministers responsible for

Community Affairs and any other Minister designated by Member States in their absolute discretion. The Community Council has primary responsibility for the development of Community strategic planning and co-ordination in the areas of economic integration, functional co-operation and external relations. The Community Council also has the responsibility for establishing a system of regional/ national consultations in order to ensure the effectiveness of the decision-making and implementation processes in the Community.

The following Ministerial Councils were also established to streamline the functioning of the Community and increase the smooth functioning of the different sectors:

The Council for Trade and Economic Development (COTED), which has been charged with the responsibility for the promotion of trade and economic development of the Community;

The Council for Foreign and Community Relations (COFCOR), which has been charged with responsibility for determining relations between the Community, and international organisations and Third States;

The Council for Finance and Planning (COFAP), which has been charged with primary responsibility for economic policy coordination and financial and monetary integration of Member States.

The Council for Human and Social Development (COHSOD), which is responsible for human and social development in the Community especially in the areas of health, education, labour and industrial relations, youth, women, and sports.

The following Subsidiary Bodies have also been established:

- (a) The Legal Affairs Committee composed of Ministers responsible for Legal Affairs and/or Attorneys-General of Member States;
- (b) the Committee of Central Bank Governors consisting of the Governors and Heads of Central Banks of Member States or their nominees;
- (c) The Budget Committee consisting of senior officials of Member States.

### **What are associate regional institutions?**

These are institutions, which enjoy a special relationship with the Community and are so recognised because of the integral role they play in the Region.

### **What is the Order of the Caribbean Community?**

It is one of two awards with which the Community recognises and honours the outstanding work done by persons in helping to build the organisation and for the Region.

The second award is the CARICOM Award for Women, and is presented every three years. Through this award, the CARICOM Secretariat honours Caribbean women who have contributed to the socio-economic and socio-cultural development of women in the region.

### **What is a CARICOM Single Market?**

It is an arrangement, which allows CARICOM goods, services, people and capital to move throughout the Caribbean Community without tariffs and without restrictions to achieve a single large economic space, and to provide for a common Economic and Trade Policy.

**What is a CARICOM Single Economy?**

A CARICOM Single Economy is an arrangement, which further harmonises economic, monetary and fiscal policies and measures across all Member States of the Caribbean Community to underpin the sustainable development of the Region. This would mean the coordination of foreign exchange and interest rate policies, the harmonisation of tax regimes and of laws and the convergence of economic performance among other measures

**Why the Single Market?**

There is more economic and political strength from a grouping of 15 countries as against the strength of a single country.

The small states of the Caribbean face better prospects within the CARICOM grouping than they do if they face mega blocs and superpowers across the negotiating tables individually.

The Single Market and economy creates more opportunities for employment, investment, production and trade for the inhabitants of the Caribbean Community.

**How will the CARICOM Single Market and Economy be implemented?**

- (a) By amending the Treaty which established the Caribbean Community (the Treaty of Chaguaramas)
- (b) By modification of the national laws, policies and programmes of Member States to accommodate these and other decisions made at the regional level
- (c) By active interest in and participation of the Region's people in the CARICOM Single Market and Economy.

The Treaty is being amended by way of Protocols. There are nine Protocols:

Protocol I addresses Organs, Institutions, Procedures of the Community

Protocol II addresses Right of Establishment. The Right to provide Services and the Right to move Capital by any CARICOM national in the Community, which has been defined to include the Single Market and Economy

Protocol III address the Community Industrial Policy

Protocol IV addresses Trade Liberalization

Protocol V addresses the Community Agricultural Policy

Protocol VI addresses the Community Transport Policy

Protocol VII addresses Disadvantaged Countries, Regions and Sectors

Protocol VIII addresses Disputes Settlement

Protocol IX addresses Rules of Competition.

**Is the Caricom Single Market and Economy a political union?**

The CARICOM Single Market and Economy is not a political union.

**Does the Caricom Single Market and Economy replace national identity and sovereignty?**

The CARICOM Single Market and Economy is not a replacement for national identity and sovereignty.

### **What are some of the benefits of the Caricom Single Market and Economy?**

Some benefits of the CARICOM Single Market and Economy are:

Increased production and trade in goods and services in a combined market of over 6 million persons and for the world beyond.

Competitive products of better quality and prices

Improved services provided by enterprises and individuals, including transportation and communication

Greater opportunity for travel

Opportunities for nationals to study and work in CARICOM countries of their choice

Increased employment and improved standards of living.

Structure of the Community<sup>8</sup>

### **Membership**

1. Members of the Community consist of:
  - (a) Antigua and Barbuda
  - (b) The Bahamas (The Bahamas is a member of the Community but not the Common Market)

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<sup>8</sup> CARICOM : The Community & Common Market, CARICOM Secretariat July 2003

- (c) Barbados
- (d) Belize
- (e) Dominica
- (f) Grenada
- (g) Guyana
- (h) Haiti
- (i) Jamaica
- (j) Montserrat
- (k) St. Kitts and Nevis
- (l) Saint Lucia
- (m) St. Vincent and the Grenadines
- (n) Suriname
- (o) Trinidad and Tobago

2. Membership of the Community shall be open to any other State or Territory of the Caribbean Region that is, in the opinion of the Conference, able and willing to exercise the rights and assume the obligations of membership.

### **Objectives**

The Community has the following objectives:

- (a) improved standards of living and work;
- (b) full employment of labour and other factors of production;
- (c) accelerated, co-ordinated and sustained economic development and convergence;
- (d) expansion of trade and economic relations with third States;

- (e) enhanced levels of international competitiveness;
- (f) organisation for increased production and productivity;
- (g) the achievement of a greater measure of economic leverage and effectiveness of Member States in dealing with third States, groups of States and entities of any description;
- (h) enhanced co-ordination of Member States' foreign and [foreign] economic policies; and
- (i) enhanced functional co-operation, including -
  - (i) more efficient operation of common services and activities for the benefit of its peoples;
  - (ii) accelerated promotion of greater understanding among its peoples and the advancement of their social, cultural and technological development;
  - (iii) intensified activities in areas such as health, education, transportation, telecommunications.

## 1. The principal Organs of the Community are:

- (a) **The Conference of Heads of Government** commonly called "**The Conference**"
- (b) **The Community Council of Ministers** commonly called "**The Council**"

### (a) **The Conference of Heads of Government (The Conference)**

**The Conference** is the Supreme Organ of the Community. It consists of the Heads of Government of the member states and is the final authority of the Community.

The primary responsibility of the Conference is to determine and to provide the policy direction for the Community.

It is the final authority for the conclusion of Treaties on behalf of the Community and for entering into relationships between the Community and International Organisations and States.

Conference is also responsible for making the financial arrangements to meet the expenses of the Community but has delegated this function to the Community Council. Decisions of the Conference are generally taken unanimously.

### **Bureau of the Conference**

The decision to create the Bureau of the Conference was taken at the Special Meeting of Heads of Government in October 1992. The responsibility of the Bureau is to:

- (a) initiate proposals for development and approval by the Ministerial Councils at it considers necessary;
- (b) update the consensus of Member States on issues falling to be determined by the Conference;

- (c) facilitate implementation of CARICOM decisions, both at the regional and local levels, in an expeditions and informed manner;
- (d) provide guidance to the Secretariat on policy issues.

The Bureau came into operation in December 1992. The Bureau consists of the current Chairman of the Conference, as Chairman, as well as the immediately incoming and outgoing Chairmen of the Conference, and the Secretary-General in the capacity of the Chief Executive Officer.

**(b) The Community Council of Ministers (The Council)**

The Council is the second highest Organ. It consists of Ministers responsible for Community Affairs and any other Minister designated by Member States in their absolute discretion. It is responsible for the development of Community strategic planning and coordination in the areas of economic integration, functional cooperation and external relations.

**2. Other Community Organs**

The principal organs of the Community are assisted in the performance of their functions by the following four Ministers Councils:

- (a) **The Council for Trade and Economic Development (COTED)** promotes trade and economic development of the Community and oversees the operations of the CSM&E.
- (b) **The Council for Foreign and Community Relations (COFCOR)** determines relations between the Community and international organisations and third states.
- (c) **The Council for Human and Social Development (COHSOD)** promotes human and social development.
- (d) **The Council for Finance and Planning (COFAP)** coordinates economic policy and financial and monetary integration of Member States.

### 3. **Bodies of the Community**

- (a) **The Legal Affairs Committee** - responsible for providing the Organs and Bodies, either on request or on its own initiative, with advice on treaties, international legal issues, the harmonisation of laws of the Community and other legal matters.
- (b) **the Budget Committee** - examines the draft budget and work programme of the Community prepared by the Secretariat and shall submit recommendations to the Community Council.
- (c) **the Committee of Central Bank Governors** shall make recommendations to COFAP on matters relating to monetary co-operation, payments arrangements, free movement of capital, integration of capital markets, monetary union and any other related matters referred to it by the Organs of the Community

### 4. **Institutions of the Community**

The following entities established by or under the auspices of the Community are recognised as Institutions of the Community:

- Caribbean Disaster Emergency Response Agency (CDERA)  
(Agreement establishing the Caribbean Disaster Emergency Response Agency)
- Caribbean Meteorological Institute (CMI)
- Caribbean Meteorological Organisation (CMO)  
(Agreement establishing the Caribbean Meteorological Organisation)
- Caribbean Food Corporation (CFC)  
(Agreement establishing the Caribbean Food Corporation)
- Caribbean Environment Health Institute (CEHI)  
(Agreement establishing the Caribbean Health Institute)
- Caribbean Agriculture Research and Development Institute (CARDI)

(Agreement establishing the Caribbean Agricultural Research and Development Institute)

- Caribbean Regional Centre for the Education and training of Animal Health and Veterinary Public Health Assistants (REPAHA)
- Assembly of Caribbean Community Parliamentarians (ACCP)  
(Agreement for the establishment of an Assembly of Caribbean Community Parliamentarians)
- Caribbean Centre for Development Administration (CARICAD)  
(Agreement establishing the Caribbean Centre for Development Administration)
- Caribbean Food and Nutrition Institute (CFNI)

## **5. Associate Institutions of the Community**

The following are Associate Institutions of the Community:

- Caribbean Development Bank (CDB)  
(Agreement establishing the Caribbean Development Bank)
- University of Guyana (UG)  
(Act to provide for the establishment and incorporation of the University of Guyana and for the matters connected therewith)
- University of the West Indies (UWI)  
(Charter, Statutes and Ordinances 1998 of the University of the West Indies)
- Caribbean Law Institute / Caribbean Law Institute Centre (CLI / CLIC)
- the Secretariat of the Organisation of Eastern Caribbean States (OECS)  
(Treaty establishing the Organisation of Eastern Caribbean States)

## CARICOM IN ACTION

### Caribbean Cultural Issues<sup>9</sup>

*“An appreciation of the history of this region is critical to a fuller understanding of contemporary realities and future challenges. For the Caribbean shares in the great drama of the **Americas** of which it is an integral part, whereby new societies are shaped, new and delicately tuned sensibilities are honed, and appropriate designs for social living are crafted through the cross-fertilisation of disparate elements. The process has resulted in a distinguishable and distinctive entity called **“Caribbean”**. The process is intensely **cultural**.”*

Professor Rex Nettleford, Vice-Chancellor, U.W.I

The encounter of Africa and Europe on foreign soil and these in turn with the indigenous Native Americans on their long-tenanted estates and all in turn with latter-day arrivants from Asia and the Middle East, has resulted in a culture of texture and diversity held together by a dynamic creativity severally described as creative chaos, stable disequilibrium or cultural pluralism. An apt description of the typical Caribbean person is that he or she is part-African, part-European, part-Asian, part-Native American but totally Caribbean. To perceive this is to understand creative diversity and many of us do understand the phenomenon. I regard as an aberration all evidence of a lack of understanding by those of us who tenant these lands of the Caribbean Community.

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<sup>9</sup> THE CARIBBEAN'S CREATIVE DIVERSITY: THE DEFINING POINT OF THE REGION'S HISTORY, LECTURE DELIVERED BY PROF. REX NETTLEFORD, VICE CHANCELLOR, UNIVERSITY OF THE WEST INDIES, 21 MARCH 2003, UNIVERSITY OF GUYANA, GUYANA

This understanding comes through in the interesting orientations one finds in the region among those who are not yet existing in the Independence mode. French Caribbean, from St. Martin to Guyana, which constitutionally is metropolitan France overseas (despite the cultural differences between Paris and Point-a-Pitre), the Netherlands Antilles, the British dependencies of Anguilla, Montserrat, British Virgin Islands, Cayman Islands and Turks and Caicos all recently ‘elevated’ to Overseas Territories, the American dependencies of American Virgin Islands and Puerto Rico (despite the latter’s **“Commonwealth”** status) and Bermuda (a very special case) are none of them willing to risk the agony of choice in becoming Independent at this time. None wishes to be **“oil-poor or debt-rich”**, as some would deem post-Independent Trinidad and Jamaica respectively to be. But what they all seem to have in common is a full grasp of the power of cultural action in affording a sense of place and of purpose to the inhabitants of their territories. They therefore tend to identify with the Independent Caribbean in this area, despite the differences in political systems.

The important thing is that the fight has not been given up; no more than it was in Europe after centuries of similar failures or continuing tension as the war on Iraq is even now engendering. The region at a subliminal level understands and trades on the unity which underly the differences. That unity is **“submarine”** according to West Indian poet Kamau Brathwaite; and in a region of largely limestone and volcanic rocks separated by divisive sea-water one can understand the metaphor and grasp the difficulties in transforming the creative diversity of floating island spaces, colonial historical experiences and language differences into an integrated whole expressed in a common humanity. Both continental Guyana and Belize are themselves separated from their fellow West Indians by such divisive seawater also.

Educating the young for survival in the 21st century is to be able to cross that bridge, not so much the one spanning centuries as the one spanning sensibilities which are forced to engage each other in new and now accessible landscapes. The microcosmic Caribbean has some centuries of practice in much of this. But bridges built can collapse and the stresses and strains on the structure could scare away even those ones of us accustomed to traversing the structure as a matter of course.

Racism, religious bigotry, xenophobia, apocalyptic rationalism parading as science, neo-liberal bottomline economics which marginalise the very people who are the true producers of wealth, the commitment to a culture of violent conflict rather than of peaceful engagement - all these obscenities continue to afflict humankind and threaten to thwart all attempts to span differences - real or imagined.

We also need to address the question of multiculturalism at the core of the discourse on the contentious issue of perception of civil society tenanted by persons from different cultures, whether as a result of ancient migration (the Americas e.g.) or the more recent movements of peoples especially in Western Europe (countries that were once colonial Powers) and multiracial communities in the South East Asia, the Caribbean and Africa. Multiculturalism as a policy option in countries like Canada and the United States is losing/has lost ground. "Nation-building" as an antidote to the poison of ethnic exclusivity within discrete geographical boundaries does not in practice always serve as an effective cure for the poison.

Then there is the matter of Culture and Education. Culture in its broadest sense under girds the educational system; but as expression of creative intellect and

creative imagination, it needs greater focused attention in educational development.

Conscious relating to the DeLors findings in another Unesco report is here recommended. For learning to live together, learning to be, learning to know (creative artistic activity is a valid route to cognition) and learning throughout life are all highly dependent on a cultural sense, making the arts a vital variable in the education equation.

Professor Rex Nettleford draws the following conclusion on this subject area:

*“Our job, then, is cut out for us well into the next century; and I make bold to assume that CARICOM and all constituent Member States are on board the journey that must speak to the Two Thirds World as well as to the dominant One Third and address all the major forces that are even now helping to shape consciousness and perceptions. The shifting paradigms, the textured sense and sensibility of end-of-century youth bombarded with myriad images of self and society via the media or through personal contact with persons of different backgrounds, races and cultural origin, are all challenges to humankind’s creative diversity which must be managed with sensitivity and daring. For the underlying regulative principles that make us all members of the same human family, despite the diversity, must also be acknowledged and recognised.*

*Such are the contradictions in the architectural designs and construction work that attend both the building of bridges across continents in the interest of human development, and the imperative of creative management of the complexities resulting. The investment in the human resource demands no less! And to this the next thirty years of CARICOM must be committed.”*

## **CARICOM Foreign Policy on the Recent Iraqi War (2002)<sup>10</sup>**

The Community recognizes that the conflict will entail political and economic consequences, which have broader, long-term implications for international peace and security.

The Caribbean Community, as a grouping of small states and an integral part of the international community, must continue to rely heavily on the United Nations, the primacy of international law, and adherence to international obligations for the protection of its sovereignty, territorial integrity and the furtherance of its interests. It is therefore the view of the Community that in the post-war environment in Iraq, the United Nations must play a central role in the provision of humanitarian assistance and in the rehabilitation and reconstruction of that country's political, institutional and physical structures. The interests and will of the Iraqi people must be paramount in this process.

Indeed, durable peace and stability in the aftermath of this conflict can only be ensured by a just, equitable and collective approach in which the United Nations must play a central role.

The need for the United Nations and the authority of the Security Council has never been greater than it is today. In an increasingly inter-dependent world, all nations now must co-operate and collaborate in a wide diversity of areas. Global governance will only succeed if it is based on multilateralism.

The interests of all mankind rest on a world where peace and harmony prevail. The world community, in accordance with the UN Charter, must be united to heal rifts

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<sup>10</sup> STATEMENT ON THE WAR IN IRAQ ISSUED BY THE SIXTEENTH MEETING OF THE BUREAU OF THE CONFERENCE OF HEADS OF GOVERNMENT OF THE CARIBBEAN COMMUNITY, 5 APRIL 2003, MONTEGO BAY, JAMAICA

wherever they loom and resolve conflict wherever they threaten, however protracted and difficult it may be to find a solution.

The Caribbean Community expresses grave concern over the consequences of the conflict in Iraq on the Region's economy:

- 1) The tourism industry, which has not yet fully recovered from the aftermath of 9/11 could suffer further setbacks.
- 2) The already parlous financial situation of the Regional airlines has been exacerbated.
- 3) The volatility of energy prices has injected unpredictability into economic planning.

A larger proportion of already scarce resources will have to be allocated to addressing heightened security concerns. These all have negative implications for the socio-economic development of the Region and the quality of life for the people of the Community.

In this uncertain and dynamic international environment, Heads of Government will continue to monitor this situation and to consult among themselves. Further, they have mandated their Foreign Ministers, to treat to any developments on the matter at the forthcoming Meeting of the Council for Foreign and Community Relations (COFCOR).

### **Issues of Youth, Culture and Sport**

The issues of youth and culture are central to the agenda which include matters related to the implementation of CARICOM Single Market and Economy (CSME); the Regional Plan of Action on Children's Issues; Regional Drugs and Crime

Control Programmes and a Report from the Civil Society Task Force - all follow-up issues from the Seventh COHSOD held in October of 2002.

A number of special matters came up for consideration; among them: establishment of the Caribbean Health Education Accreditation Board (CHEAB) – a presentation by the University of the West Indies; thirtieth anniversary of the Caribbean Examinations Council (CXC); health sector development; human resource development of environmental health professionals in CARICOM; HIV/AIDS and the establishment of a Regional Violence and Injury Surveillance System.

With respect to Youth, the COHSOD received a number of reports on an integrated approach to youth development, and human and social development through sport. In this regard, issues relating, to the development of a collaborative youth agenda, priorities in the Caribbean Youth Ambassadors' Programme, best practices in sports and development was discussed. The World Bank with whom CARICOM has been collaborating in this area of work has made special presentations on the Economics of Youth Development Strategies for the Caribbean.

### **The human development of the people of the Caribbean<sup>11</sup>**

The human development of the people of the Caribbean came into high focus at the Eighth Meeting of the Council for Human and Social Development (COHSOD) held recently in Paramaribo, Suriname on Thursday 24<sup>th</sup> 2003. The Meeting came at a time when the world system is in chaos and the need for world peace is increasing pressure on already depleting resources for developed nations like those in the Caribbean.

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<sup>11</sup> Eighth Meeting of the Council for Human and Social Development (COHSOD) Paramaribo, Suriname on Thursday 24<sup>th</sup> 2003

Speaking at the Opening Dr Edward Greene, Assistant Secretary General for Human and Social Development at the CARICOM Secretariat stressed the role of the COHSOD in expediting the process to facilitate the movement of people and skills, especially given the global realities in the ripple effects of the War on Iraq. To make the CSME a reality, he noted that Caribbean people must share a common bond and a pervasive regional spirit. “Without this ethic or philosophy, the CSME would otherwise be meaningless. It would be so rendered unless Member States honour their obligations to expedite the process whereby travel between Member States is facilitated and systematized” said Dr Greene.

Given the continued erosion of preferential treatment and the impending diversion of resources to Iraq, the Caribbean has to now operate in an uneven world with complex regulations. “The time is now for implementation rather than mere posturing. We have to find creative ways to find solutions to our problems rather than to have them defined for us and then for us to mainly be reactive”, Dr Greene urged the ministers and officials.

Noting that the process of economic integration can be neither realized nor sustained, without the involvement of the people of the Region, the Hon. Walter Sandriman, Suriname’s Minister of Education and Community Development and current chairman of COHSOD reiterated that economic and political systems must create an atmosphere for the peoples of the Caribbean to enjoy peace and security, rather than live in fear of crime and violence.

COHSOD, he said, must therefore focus its attention on “addressing the human condition and by placing people at the centre of its development strategies”. He called for continued support for the CARICOM Youth Ambassadors Programme, as they are the missionaries of the integration process and the bedrock of any sustained development plan for the Caribbean.

Hon. Marie Levens, Minister of Foreign Affairs, Suriname in her remarks, suggested that the Ministers use the diverse cultures of the Region as a symbol of peace. “We must educate our people with the basic principles of tolerance and unity, peace and security, co-operation and common interest that we learn from sport and culture.”

### **The Role Of The Council For Human And Social Development (COHSOD)<sup>12</sup>**

Council for Human and Social Development (COHSOD) focuses on Human and social issues with special reference to Culture Youth and Sport.

COHSOD is one of three main Councils of the Community, together with the Council for Trade and Economic Development (COTED), and the Council for Foreign and Community Relations, (COFCOR), which are responsible for discussing and making recommendations on critical issues related to trade, foreign relations and social policies. The decisions from these Councils are taken to the Conference of Heads of Government through the Community Council of Ministers. In many cases the Councils receive various mandates from Heads of Government. The business of CARICOM is therefore carried out as an interlocking network of which, for example, the regional and international agencies, the donor community, NGOs and national governments in particular, play a critical role. CARICOM as a network is therefore a rather complex entity. Hence, in some cases movement toward achieving its stated policies can be quite slow.

This is the general context in which the Region has set as its flagship the movement toward a Single Market and a Single Economy (CSME). Our Council, as well as the others, have a responsibility to ensure that we contribute toward the acceleration of this process which is so important to our Region as a whole. The

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<sup>12</sup> Ibid

reason is that by 2005, the Americas of which we are a part, would have established the Free Trade Area of the Americas which is in addition to the overall economic changes over which the World Trade Organisation presides.

Consequently, the world system today is dramatically different from it was when this Community was inaugurated by the Treaty of Chaguaramas 30 years ago. Then there was the Cold War and our Region played a vital role in the Non-Aligned Movement, which, in many ways, held a balance of power of sorts in the governance process of this World. Then also, the international system at least honoured commitments to providing concessions to small and vulnerable societies such as ours. Now there is virtually a unilateralist system that has moved into a mold of neoliberalism, with resulting complex regulations, obliteration of concessions and other exacerbating inequalities which further increase the unevenness of the playing field between the developed and the developing countries. This has been fully demonstrated in the devastation of some economies in the Caribbean, for example Dominica, which has been severely affected by the withdrawal of special subsidies on its banana industry. Another example of the uneven playing field is the cause and effect of the recent War on Iraq which has all but minimalised the once dominant role of the United Nations in the procurement of peace and security.

It is this context in which we as CARICOM states exist that makes it ever more necessary for the CSME to be a reality. While at the heart of the current progress toward the CSME are the conditions for the free movement of goods, services and investments, the nerve center of the CSME is really that which focuses on making Caribbean people in reality share that common bond and a pervasive regional spirit. Without this ethic or philosophy, the CSME would otherwise be meaningless. It would be so rendered, unless Member States honour their obligations to expedite the process whereby regional travel is facilitated and

systematised; by which the free movement of people and skills can operate on a impartial rather than an *ad hoc* or discriminatory manner; by which we embark more specifically on accreditation and standardisation of our procedures so that the regional labour force, as well as investors, can benefit from a single economic space. These are actions urgently required and the time is now for implementation rather than mere posturing. We have to find creative ways to find solutions to our problems rather than to have them defined for us and for us to mainly be reactive.

### **Global Environment Fund (GEF ) Grant Agreement For The Mainstreaming Adaptation To Climate Change Project In The Caribbean.**

The Executive Board of the World Bank on 17 April 2003, approved the Global Environment Fund (GEF) Grant Agreement for the Mainstreaming Adaptation to Climate Change (MACC) Project for the Caribbean. The MACC Project is the successor to the Caribbean Project for Adaptation to Climate Change (CPACC) that was successfully concluded on 31 December 2001.

MACC is a US \$10.9m Project, which will be financed by the Global Environment Facility (\$5m); the participating Governments (in kind) to a value of 3.1m; the Government of Canada (\$2m); and the Government of the United States of America through the National Oceanic and Atmospheric Administration, in kind, to a value of \$0.8m.

The objective of the MACC Project is to create the capacity and the environment in the small island and low-lying coastal developing states in CARICOM to implement adaptation measures to minimise the adverse impact of climate change. The main elements of the project include expanding and strengthening the technical and information capacity to assess vulnerability and the risks associated

with the global climate change to build the capacity to formulate adaptation policy options to reduce vulnerability; to support specific adaptation measures or (demonstration projects) and to encourage a regional position on adaptation and mainstreaming adaptation to climate change in national development planning and public and private sector development strategies.

The participating countries are Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St Kitts and Nevis, Saint Lucia, St Vincent and the Grenadines and Trinidad and Tobago. In order to be a participating country the Member State had to be a party to the UN Framework Convention on Climate Change and had to have submitted its first National Communication Report.

The Project will be executed by the World Bank and implemented by the Caribbean Community (CARICOM) Secretariat through a Project Implementation Unit (PIU) which will be located in Belize. Each participating state will have a National Implementation Coordination Unit (NICU) to work along with the regional PIU in ensuring the effective implementation of the Project.

The Grant Agreement was signed by Mr Edwin Carrington, Secretary-General of CARICOM and Mr. Daniel Wallace, Country Officer for Guyana on behalf of the World Bank, in Georgetown, Guyana, on 29 April 2003

### **CXC: A Response To The Region's Human Development Needs<sup>13</sup>**

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<sup>13</sup> CXC: A RESPONSE TO THE REGION'S HUMAN DEVELOPMENT NEEDS: ADDRESS BY EDWIN W. CARRINGTON, SECRETARY-GENERAL, CARICOM, AT THE CARIBBEAN EXAMINATIONS COUNCIL 30<sup>TH</sup> ANNIVERSARY COMMEMORATIVE LECTURE, 24<sup>TH</sup> APRIL 2003, SHERBOURNE CONFERENCE CENTRE, BARBADOS

The 30<sup>th</sup> Anniversary of the establishment of the Caribbean Examinations Council (CXC) is a testimony to the outstanding achievements of this body. We all have benefited significantly from this **important** mechanism for regional human development.

The Caribbean Examinations Council (CXC) was established by Agreement among Governments for regional organization that will provide:

- syllabi of the highest quality, valid and reliable examinations and certificates of international repute for students of all ages, abilities and interests; and
- services to educational institutions in the development of syllabi, examinations and examinations' administration in the most cost-effective way.

In other words, the mandate of the CXC was to fashion a response to the Human Resource Development needs of the Region.

Indeed the context in which this requirement became necessary was one where the regional leaders had recognized that the externally based examinations at the secondary level were becoming increasingly less relevant to our society. This was not only due to the obvious need for a learning environment with which the students were familiar, but critically in light of the necessity to create learning programmes that would cater to our peculiar development needs. Further the United Kingdom, from which the examinations came, was at the time, moving inexorably towards the European orbit, opening the real possibility of a widening of the relevance gap between the examination and the examined.

The examinations and curricula from the United Kingdom, did however serve the purpose of providing a standard of excellence. The CXC was therefore charged not only with enhancing the relevance but also with maintaining the excellence of our examinations, a task that it has undertaken with skill and devotion, and achieved with distinction. A measure of its success can be gleaned from the fact that, one of the CXC's signature approaches to certification, the School Based Assessment,

was adopted by the UK when it redesigned its examination programme for the General Certificate of Secondary Education (GCSE).

In devising its systems, the CXC and the Caribbean as a whole, have shown that we as a Region have accepted the responsibility for the development of our own human resources. Indeed, success in this regard has resulted in non-English speaking Caribbean countries as well taking part in various aspects of the CXC programmes. This welcome development is a sure sign that the programmes have been recognised as being responsive to the needs of the **region** as a whole.

That responsiveness is critical to the continuing success of the CXC. It may seem to be a heavy cost to bear, given the fact that there may not be unanimity among member countries with respect to their individual training needs. Also in addition, note must be taken of the fact that our policy planners are now looking at increasing CXC's workload with the prospect of common certification, at the level of the third form of secondary school.

But as we are all aware, one of the problems with success is that it brings with it, greater challenges and demands. A brief look at CXC' history fully confirms this. When CXC first administered examinations for the Caribbean Secondary Education Certificate (CSEC) in 1979, for example, only **five** subjects were examined, 30,194 candidates registered for the examinations and there were 58,708 subject entries. By 2002, CXC was administering **48** subjects for the CSEC examinations – (30 at General Proficiency, 14 at Basic Proficiency and four at Technical Proficiency), One hundred and twenty-two thousand, six hundred and twenty-one (122,621) candidates registered for the examinations and there were 464,486 - that is nearly half a million-subject entries.

Following the firm establishment of the CSEC examinations, CARICOM Ministers responsible for Education, in the early nineties mandated CXC to develop a

regional examination that would be at least equivalent to the “A” Level, but differing in its philosophical assumptions and, consequently, in its structure. In response to this mandate, CXC developed the Caribbean Advanced Proficiency Examination (CAPE). It is argued that the structure of CAPE, with Units and Modules for the various subjects, gives greater flexibility in studies at this level. Candidates can opt for breadth or depth of study and can build on Units to acquire a desired grouping for further study or for the workplace. This is another aspect of the CXC’s work that has been adopted in the UK.

CAPE was first administered in 1998 in seven Units and 797 candidates registered for the examinations. Four years later, the number of subject Units available grew to 40 and the number of candidates to 5,741. With two countries, St. Vincent and the Grenadines and Trinidad and Tobago entering candidates for CAPE for the first time in 2004, the number of candidates will increase significantly, in what will now be 12 participating countries. This growth will certainly contribute towards achieving the goal set by the 1997 mandate of Heads of Government, which called for a 15 percent enrollment of the post secondary age cohort in tertiary-level education programmes by 2005 – a key objective of the Caribbean Community.

This immense growth in CXC is testimony to the relevance of the subject offerings and the currency of CXC certification as a foundation for further education and training, as well as for the workplace. Preparation for the latter aspect, i.e. the workplace, must provide one of the key links to be forged, with industry, as the Community seeks to harness its resources in the drive to construct a viable and sustainable economy and a prosperous society. In fact, the continuing and deeper involvement of industry in the planning of the Organisation’s programmes is absolutely necessary, to ensure that there is a sufficient cadre of citizens,

adequately trained, both to fulfill the requirement of employers and to be entrepreneurs in their own right.

These programmes would need to be tailored to suit specific goals on which there is agreement among all the stakeholders including government, business, labour and educators. The education system, of which CXC is the critical motor, must be effectively linked to these agreed development goals so that the graduates would be able to fit efficiently into the work place, including being able to create their own employment. In seeking new opportunities to such education and training, the relationship between the CXC and industry must be a systematic and cohesive one. There is, I also venture to suggest, scope for the CXC to enter into partnerships to provide certification for programmes that are offered at the workplace and in other out-of-school situations.

The region's drive towards establishing the CARICOM Single Market and Economy literally throws down the gauntlet to the CXC. The key component of the CSME is the development of human resources to provide the regional economy with the skilled labour it needs, for this goal to be achieved. In this regard, your Council Mr. Chairman of CXC, would seem to need to play a more prominent role in the affairs of the Community. This is specifically with the Prime Ministerial Sub-Committee on the Single Market and Economy which, assisted by the Council for Trade and Economic Development, guides the process of development of the Single Market and Economy. In their deliberations, those two Community bodies point the way to the areas of economic growth, which are the Community's priorities. Also, in this era when the regional economy is predominately services-oriented and tending to become even more so, the CXC's capacity must be strengthened in this direction. For make no bones about it, the success of the CSME is as dependent on a highly skilled workforce as it is on investment.

The development of the necessary skilled workforce brings with it the necessity to ensure adequate capacity and resources to deliver that product. On this I need say no more. Further, as we have seen starkly in recent times, even if we succeed in developing the product, there is no guarantee that we would have full use of it. The exodus of our trained personnel puts an added onus on institutions like the CXC, to increase not only its numbers and subject areas but also its catchment range.

No less important than the equipping of our youth for the world of work is the recognition of the need to educate our children for Life. This is vital in achieving many of our Community's other objectives including attaining a healthy lifestyle and eradicating poverty. The Prime Minister of Belize the Hon. Said Musa at the recent opening of Parliament put it this way:

“Equally important is our obligation to preserve and promote healthy attitudes among our people, attitudes that encompass the spiritual, moral, intellectual, physical and aesthetic development of our youths. Our educational policies will not make the grade if the adults who emerge from the system fail in their responsibilities as citizens. It is therefore vital that from early childhood our children are imbued with a sense of social responsibility, self-esteem and self-confidence.”

### **The Movement Of Labour In Caribbean<sup>14</sup>**

In many Member States of the Caribbean Community, International Labour Day is commemorated on May 1st. This commemoration has its origin in the struggle of workers for better working conditions and living standards, such as the eight-hour working day. However in its current form International Labour Day has evolved

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<sup>14</sup> Message by Mr. Edwin Carrington, Secretary-General, Caribbean Community on the occasion of International Labour Day, 1 May 2003

into an occasion that, among other things, lauds the spirit of unity amongst workers.

CARICOM owes a great debt to Labour, as it is in that sector that the early stirrings for a united Caribbean was first given voice, more than 70 years ago. It is in that same spirit that a struggle for unity must now be waged not only to encompass workers but also to embrace the wider society. This mission should be considered as key in order for our Community to face the challenges brought about by rapidly progressing globalisation in all its dimensions and our response to the phenomena surrounding it.

To name just a few of these challenges: the HIV/AIDS pandemic, the need to increase productivity, the need to become more competitive, in the face of changing world trading conditions, high job insecurity, high levels of unemployment and escalating crime. All these challenges, which impact on workers and their families in a variety of ways, require a united response.

The Conference of Heads of Government of the Caribbean Community has taken various decisions to deal with these challenges, important among these being the decision to establish a CARICOM Single Market and Economy and the establishment of the Pan-Caribbean Partnership against HIV/AIDS.

With respect to the CARICOM Single Market and Economy, Heads of Government reaffirmed in February 2003 in Port of Spain, Trinidad and Tobago during the 14<sup>th</sup> Inter-Sessional Meeting of the Conference that by July 2003 their determination to ensure the free movement of skilled workers, university graduates, artistes, musicians, media workers and sports persons, should be fully operational within the Single Market.

The free movement of skilled workers is one of the most people-oriented measures of our CARICOM Single Market and Economy arrangements and I'm therefore proud to inform you that one of the supportive measures, namely the CARICOM Agreement on Social Security is now fully operational in all Member States with an existing national social security system.

This Agreement provides for the transfer of a worker's contributions to social security arrangements, such as pension plans and national insurance, in one Member State to be taken into account in calculating benefits under the applicable legislation of another Member State, should he or she migrate to that country. The Agreement, which came into effect on April 1<sup>st</sup>, 1997, is applicable to all workers. In fact, in a number of Member States, CARICOM Nationals are already receiving benefits under the Agreement.

Notwithstanding this success, much still needs to be done with respect to CSME measures and other key labour issues, such as the enactment of modern labour legislation, the establishment of social dialogue structures at all levels of society, the implementation of concrete actions to combat HIV/AIDS in the World of Work and the reduction of high unemployment levels.

In conclusion, in the oft-repeated words of the General-Secretary of the Caribbean Congress of Labour, Mr. George DePeana "we can either swim together or drown separately."

## **Caribbean Community (CARICOM) Regional Support Strategy<sup>15</sup>**

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<sup>15</sup> ADDRESS DELIVERED BY AMBASSADOR VINCENT DE VISSCHER HEAD OF THE EC DELEGATION TO GUYANA, SURINAME, TRINIDAD AND TOBAGO, ARUBA AND THE NETHERLANDS ANTILLES ON THE OCCASION OF THE SIGNING OF THE REGIONAL SUPPORT STRATEGY FOR THE CARIBBEAN, 6 MAY 2003, GEORGETOWN, GUYANA

The Regional Strategy Paper and Regional Indicative Programme translates into tangible action, the co-operation objectives and commitments that both parties entered into in the ACP-EU Partnership Agreement. An important co-operation objective, mutually shared by both partners, is the intensification of regional integration and the eventual sustainable integration of the Caribbean region into the world economy.

The 9<sup>th</sup> EDF regional co-operation programme encompasses CARIFORUM's own Regional Integration and Development Strategy, which aims to improve the quality of life of the Caribbean people, by pursuing strategies related to economic, human and social development through regional integration. As a consequence, the 9<sup>th</sup> Regional Indicative Programme proposes:

- the expansion of the Caribbean market through the identification of new economic opportunities and strengthening of the position of the Caribbean in the international context,
- the deepening of the integration process through the completion of the Caribbean Single Market and Economy, targeting a harmonised economic space in order to promote economic efficiencies, the reinforcement of international trade and the attraction of investment,
- and the economic repositioning process that constitutes the platform from which the integration of the Caribbean into the global trading regime will be pursued.

The decision of the region, as expressed in the Regional Integration and Development Strategy, to utilise a knowledge-driven model of economic development is, without doubt, most appropriate for the Caribbean to allow the

region to exploit advantages of knowledgeable human resources, location and natural endowment, even though the small size of the region is perceived to be a disadvantage by some persons.

The European Commission said it was acutely aware and sensitive to the fact that several external vulnerabilities adversely impact on the efforts by Caribbean Governments to achieve economic development and reduce poverty. The scourge of illegal drugs poses a serious threat to regional security and governance, and can cause devastating consequences in economic activities, property, and human welfare. Natural disasters, which can result in devastating economic hardships, are covered in the strategy, particularly since these normally impact disproportionately on the poor. The Regional Strategy Paper therefore represents a renewed effort in the joint endeavours of the Caribbean and the EU in the fight against poverty.

### **The Role Of The Council For Foreign And Community Relations (COFCOR)<sup>16</sup>**

Economic and military battle lines have been drawn, and “willing” coalitions of varying strengths and capacities face off against each other in the several theatres of

For us in the Caribbean, our concern at this time is for our survival, caught up as we are in the maelstrom/whirlwind of a veritable economic and trade battle, and a fight for market share, as we struggle to deal with economic transformation; fiscal discipline; poverty alleviation; HIV/AIDS, and now the looming threat of SARS; crime; and the fall out from the September 11 terrorist attacks on the USA.

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<sup>16</sup> ADDRESS DELIVERED BY HON LOUIS STRAKER, MINISTER OF FOREIGN AFFAIRS, COMMERCE AND TRADE, ST. VINCENT AND THE GRENADINES, AT THE OPENING OF THE SIXTH MEETING OF THE COUNCIL FOR FOREIGN AND COMMUNITY RELATIONS (COFCOR), 8-9 MAY 2003, ST. VINCENT AND THE GRENADINES

And there is much cause for concern. We must be concerned when there is a threat to international peace and security, conditions so vital for the pursuit of our economic and social development goals. We must be concerned when international structures and instruments set up to safeguard the interests and the sovereignty and territorial integrity of states, both small and large, appear to be considerably weakened.

As small vulnerable states, it must be troubling for us that the multilateral systems, which are dominated by more affluent and powerful states, for the most part, seem either incapable of, or unwilling to, respond to our region's particular concerns, when viewed against our deficiency in human and financial resources, our geography and history, and our varying levels of development.

What therefore is the Caribbean's response to these formidable challenges: the pressures for conformity with international rules and standards and for reciprocity in trade; the disquieting trend towards unilateralism, as evidenced by the less than strict adherence by some to the principles of multilateralism, diplomacy and dialogue.

Similar challenges confront us within our own region. Despite our recognition of our common history and circumstances, we have not always acted upon our own acknowledgement of the need for consistency and coherence in our actions. We have yet to fully overcome our insularity; be bold enough to confront and wipe out negativity; to hold ourselves to the same high standards of expectation with respect to human rights, justice, equality and good governance; to being our brothers keepers.

We have been criticized of being weak, even divided, in the positions taken as a region on international matters of critical importance. Our approach to the multilateral trade negotiations within the hemisphere seems to lack conviction. Further, the slow march towards implementation of the CARICOM Single Market and

Economy (CSME), the free movement of persons within our region, and the establishment of the Caribbean Court of Justice (CCJ) has been cause for great concern.

No doubt, our limitation in capacity and human and financial resources has helped to thwart our efforts and dampen our enthusiasm.

At the level of the EU-ACP, and the negotiation of economic partnership agreements (EPA's) those obvious problems of capacity and resources are compounded by an insufficiency of focus and collaboration, resulting in a general state of unreadiness to confront, by 2005, a new era of trade liberalization without preferential treatment.

The rest of the world however will not wait on us as we grapple with our difficulties. We must seize the opportunities and act together now, in the interest of our various constituents and our region. We must work with our allies to influence positive change in the multilateral institutions to which we belong. We must also make the best use of our scarce regional and national resources for our benefit. Our survival will depend on how well we are able to face the rest of the world with one common front, one common purpose. If not, we risk being picked off one by one in accordance with the designs and agenda of those more adept and experienced in the machinations of international relations and diplomacy of an economic and other kind.

We must, as sovereign states, continue to resist any attempt to shape the Caribbean agenda for us, despite the pressures and constraints. Our strength lies in our commitment to the promotion of regional prosperity and to reflecting that same commitment in our national development priorities and programmes.

As a community of 15 member states, along with our Associated member states, acting in concert with one another, we can be formidable; and the strategies we employ to ensure our integration into the global economy, and to make our mark in the international community must take cognizance of this fact.

It is in our collective self-interest to seek out partnerships for peace and security. As small open economies we stand to suffer greatly from international discord of a military or economic kind. We must however stand firm on principle and speak out against evils, wherever they exist. Future generations will thank us for it.

## **CARICOM On Cuban Crackdown on Dissidents (2002)<sup>17</sup>**

Foreign Ministers of CARICOM considered recent developments in Cuba. In relation thereto, they referred to the Declaration of Havana which was adopted by Heads of Government of CARICOM and Cuba on 8 December 2002. In that Declaration, Heads of Government acknowledged “*the importance of transparent and accountable governance and the protection of human, social, political and economic rights*”. In the latter connection Heads called for the immediate lifting of the economic, commercial and financial embargo imposed against the Republic of Cuba. They also declared their commitment “*to respect for and the promotion of the principles of the Charter of the United Nations and, in particular, the sovereign independence, territorial integrity, non-intervention and non-interference in the internal affairs of States*”.

Foreign Ministers emphasised that the Caribbean Community has a long-standing tradition of respect for human rights and fundamental freedoms, adherence to the rule of law, and to the effective practice of representative democracy. These principles are enshrined in the Community's Charter of Civil Society, to which all members and all aspirants for membership are expected to adhere.

Against this background, the Foreign Ministers of the Community expressed their concern at the conduct of the trials by the Cuban government of a number of its citizens arrested in March and April 2003. Ministers recalled that Cuba had been and continues to be subject to hijackings and terrorist activities organized by

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<sup>17</sup> STATEMENT ISSUED BY THE SIXTH MEETING OF THE COUNCIL OF FOREIGN AND COMMUNITY RELATIONS OF THE CARIBBEAN COMMUNITY, 8-9 MAY 2003, KINGSTOWN, ST. VINCENT AND THE GRENADINES, ON RECENT DEVELOPMENTS IN CUBA

external groups hostile to the Cuban government. While not disputing the right of governments to respond to threats against the state or to the criminal act of hijacking, the Ministers were however deeply disturbed at the severity of the sentences imposed.

In this regard Ministers urged the Government of Cuba to ensure greater transparency in its criminal justice system; and to promote more open debate and discussion in order to further social, political and economic progress.

Ministers therefore strongly appealed to the Government of Cuba to show clemency towards those recently imprisoned.

Ministers conveyed their views to the Special Ministerial Envoy of Cuba who met with them on 8 May 2003 in a frank exchange as befitting relations among friends. Ministers noted the recent request by some hemispheric states to consider a resolution on *Support for Democratic Freedoms in Cuba* within the forum of the Organisation of American States. In this regard, they determined that as long as the Cuban Government remains excluded from participation in the Inter-American system and from voting in the activities of the OAS, the Organisation is not the appropriate forum for debate or judgement on this particular issue since the Government of Cuba is deprived of its right to present its position in accordance with natural justice.

In accordance with the fundamental principles which guide the foreign policy of the Caribbean Community, the Ministers continue to believe that engaging Cuba and pursuing dialogue with its Government at the highest level are in the best interest of the Cuban people. They also emphasised the urgent need to fashion a hemispheric community from which no country is excluded and to engage Cuba constructively in creating that inclusive community of the Americas.

## **The Role Of the Council for Trade and Economic Development (COTED)<sup>18</sup>**

COTED is responsible for the promotion of trade and economic development of the Community.

The COTED fore focus heavily on regional and external agricultural issues. These include implementation of the Regional Transformation Programme for Agriculture, technical assistance initiatives, food security and strategies pertinent to major commodities and their impact on growth of the agricultural sector.

The Ministerial meetings consider issues relating to external trade negotiations for goods and services, particularly at the WTO and Free Trade Area of the America (FTAA). Matters relating to sustainable development and the implications for growth in the tourism sector are among the range of issues they will discuss.

In accordance with Community process, CARICOM Ministers are expected to consider the issues and make recommendations to the Community Council, the second highest Organ in the Community's decision-making structure.

COTED, is charged under the Revised Treaty of Chaguaramas with responsibility for, inter alia, establishing and promoting -

- the development and operation of the Caribbean Single Market and Economy (CSME);
- the development and structural diversification of the agricultural and industrial sectors of the Region;
- the development of the services sector, including the tourism and transportation sub-sectors;

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<sup>18</sup> Fifteenth Meeting of the Council for Trade and Economic Development (COTED) Georgetown, Guyana, tomorrow, 29 May 2003.

- the energy and natural resources sectors;
- Science and technology; and
- environment and sustainable development.

These responsibilities were previously handled by at least seven Councils or Standing Committees, some of which met two or three times each year. The objective need to integrate activities and encourage the cross sector flow of information, and budgetary considerations forced their allocation to a single council. One effect of this, especially in a situation in which budget and scheduling pressures have reduced your meeting to two times per year, is that you have a range of issues to cover in each meeting. The technique which you have employed of having one or two areas as prime focus has served well; but in a fast-moving world, other areas cannot just be left for the next meeting. There has been a very significant reduction in ministerial meetings, but there is a cost.

Agriculture is a major development issue for the Community at this time when we have become a net importer of food; when the marketing conditions for our major agricultural exports have and are changing dramatically and physical production is on the decline; and when new rules are being negotiated in the World Trade Organisation (WTO), in the Free Trade Area of the Americas (FTAA), and in the European Union (EU) to govern trade in agricultural products.

The Agenda therefore looks at agriculture in three dimensions, namely -

- (i) research, development, business organization and production dimension;
- (ii) the market, including the rules being negotiated to govern agricultural trade in the future; and
- (iii) the food security and food safety as well as the plant and animal health dimension.

Officials looked at these issues in great detail and have distilled recommendations, which will spare one having to wade through the mass of technical documentation. The Officials had the benefit of the practical, living experience of a number of our commodity and business groups, which are increasingly organising themselves across the Region, analysing their sectors and making information available to decision-makers. The technical regional and international organisations which have been supporting the sector - CARDI, IICA, UWI and UG; FAO, CRFM, CABA, CPA, PAHO, SAC, WIRSPA - all lent their tremendous expertise to the task. Perhaps the most important development is the increasing readiness of these organisations to work in a coordinated and collaborative manner and to work with and focus on the national institutions and the national priorities. In this regard, due recognition must be given to the alliance for agriculture and the rural milieu - serviced by IICA, FAO, and the CARICOM Secretariat - under which the various groups in the agricultural community can come together.

We are now a net food-importing Region. Our Food import bill stands at over us\$2.7 billion and is rising rapidly. This is a very insecure and unsustainable situation. We need o therefore to recognise the FAO, which has worked with the Region to develop a comprehensive food security programme, the IDB, which has been helping to promote it, and the Government of Italy, which has supported the first project for us\$5 million under it. The Government of Italy sent a technical mission to investigate the feasibility of a project under the programme in January 2003. The project was signed in March, and there is a Government of Italy/FAO team working

with CARICOM on the implementation plan which should see experts in the field in member states before September 2003.

The multi-functional nature of agriculture and the large portion of our population who depend on it - approximately 15 per cent employed directly - make it a priority development issue.

The external trade negotiating agenda is at a critical stage. In the WTO, the Cancun Meeting is only three months away. Agriculture and services are on the agenda, but more importantly, this meeting is charged to bring development back into mainstream. It is to set the framework for a development round. The FTAA is now negotiating offers and requests in all areas. The practice period with the European Union is over and the real negotiations for Economic Partnership Agreements Are set to begin in September.

We must get these right. The cost of failure will be high. To understand how high this could be we need only recall the impact on our economies of the various negotiations of the 1990's including the Uruguay Round of the 11 most important exports of CARICOM. The unit value decreased between 1995 - the first year of the WTO Agreement - and 2000. In the case of five or half the number this fall in price was more than 25 percent. Put differently for those five major exports, for every four dollars earned in 1995, the earnings was only three dollars in 2000.

That is what is at stake. That is why the agenda is so formidable. The issues are critical.

## **CARICOM And The International Criminal Court (ICC)<sup>19</sup>**

At the Twenty-Fourth Meeting of the Conference of Heads of Government of the Caribbean Community, Heads considered the request made to each Member State of the Community by the Government of the United States of America to enter into bilateral immunity or ‘non-surrender’ agreements that exempt US nationals and other persons who have worked for the US Government from the jurisdiction of the International Criminal Court (ICC).

Heads reaffirmed their strong support for the principles and purposes of the ICC and their confidence that it would carry out its important mandate with the highest integrity and professionalism. They recalled the vanguard role played by CARICOM, particularly Trinidad and Tobago, in the establishment of the Court and noted with satisfaction that those CARICOM Member States that had not yet ratified or acceded to the Rome Statute establishing the Court would do so expeditiously.

Heads also recognised that some Member States may wish to negotiate bilateral ‘non-surrender’ agreements with the United States if they are advised by their legal authorities that any agreement into which they enter is consistent with their obligations under the Rome Statute.

They were deeply disturbed at the punitive action taken by the US Government,

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<sup>19</sup> STATEMENT ISSUED BY THE CONFERENCE OF HEADS OF GOVERNMENT OF THE CARIBBEAN COMMUNITY ON BILATERAL AGREEMENTS UNDER ARTICLE 98 OF THE ROME STATUTE ESTABLISHING THE INTERNATIONAL CRIMINAL COURT, 4 JULY 2003

with effect from July 1st, 2003, against the six CARICOM member states which are parties to the International Criminal Court. They stressed that this development was at complete variance with the spirit of the special relationship which has traditionally existed between the United States and the Caribbean, a relationship which has always been characterized by mutual respect and cooperation, and strict adherence to the rule of law, to international obligations, and constructive dialogue which Heads are committed to continuing.

They also stressed that the effective protection of the “Third Border” of the United States could not be achieved unilaterally, and that continued military and security cooperation between the Caribbean and the United States was in the national security interest of all countries which comprise our common Caribbean neighbourhood.

Heads resolved to explore the possibility of establishing mutual legal arrangements on military matters among their member states, and in addition, to seek partnerships in the international community to protect and enhance the security of the Caribbean Community.

## **CARICOM: THE FUTURE**

### **CARIBBEAN SINGLE MARKET AND ECONOMY – THE WAY FORWARD.<sup>20</sup>**

#### **THE CSME – WHY AND WHAT**

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<sup>20</sup> ADDRESS BY THE RT. HON. OWEN S. ARTHUR, PRIME MINISTER OF BARBADOS TO THE TRADE FORUM OF THE PRIVATE SECTOR ORGANIZATION OF JAMAICA ON THE CARIBBEAN SINGLE MARKET AND ECONOMY AT THE HILTON HOTEL, NEW KINGSTON, JAMAICA ON THURSDAY JUNE 26<sup>TH</sup> 2003

The creation of a Caribbean Single Market and Economy – as the concept literally implies – is an effort to cause the participating Caribbean nations which have hitherto functioned as 14 separate and distinct markets and economies, each governed by their own rules and divided from each other by formidable barriers, to be organized and to be made to operate in the future effectively as one market and one economy, free of restrictive barriers, and governed by common rules, policies and institutions.

As conceived, it will be the most ambitious enterprise of any kind ever to be carried out in the Caribbean.

As a form of economic integration, it is exceeded, among regional economic groupings, only by the European Union in respect of the depth and scope of its provisions, and in the degree of structural change it is intended to achieve in respect of the participating national economies.

To fully appreciate the scope and complexities of its provisions and the significance of the purposes it is intended to achieve, a bit of comparative history would help.

The CSME is intended to enable us to correct deficiencies in the systems and policies we have relied upon to manage our respective economies for an extended period, to replace earlier and more modest forms of economic integration which were far too limited in scope to be effective, and to serve as the platform from which, and the institutional mechanism by which, we integrate the region into the evolving global economy.

It is beyond dispute that the tradition and the tools of economic management associated with the separate, inward looking, insular economic development model

which has typified the Caribbean throughout most of its history have retarded the economic progress of the region in many fundamental ways. The formidable array of restrictions on cross-border economic and financial transactions, the official constraints on the use and mobility of factors of production, and the great mismatch of basic macro-economic policies as practiced by the respective Caribbean States have overtime reinforced the tendency to underdevelopment in the region. They have done so by prohibiting the rational and optimal use of resources, preventing the emergence of enterprises that are capable of achieving appropriate scale and competitiveness, and have accentuated a “dog-eat-dog” approach to the management of our economic affairs that has been hardly conducive to sustained growth.

The initial regional response to correct this took the form of the creation of CARIFTA in 1968, which as a simple free trade area, merely removed tariffs on the intra-regional trade in goods produced within the region.

However, the mere removal of restrictions on intra-regional trade in goods will hardly ever be a major stimulus to regional development since the scope for “tariff-reduction-induced” growth, limited to regional transactions, is small and the driving force for development is not regional but international demand.

Hence in 1973, through the Treaty of Chaguaramas, which created CARICOM, the region sought to move to a higher plane of economic integration in the form of a limited common market. This new integration arrangement retained provision for the liberalization of the trade in goods, added a common external tariff, made token and very limited provision for the removal of restrictions of the movement within the region of capital and services, and some modest provision for the coordination

of economic policies. No provision was however made for the free movement of people and skills.

A limited form of integration will always give rise to limited benefits. And so it was with the limited Common Market that was initially enshrined in the Treaty of Chaguaramas. Since 1973 there has been modest growth in intra-regional trade in goods, largely to the benefit of the country (Trinidad & Tobago) that has the attributes to be the most competitive in the sphere. There has, however, not been a great surge in intra-regional service trade, nor robust cross-border capital flows, nor the creation, except in a few rare instances, of Pan Caribbean companies, drawing upon the resources wherever available in the region, to forge enterprises of a scale to compete successfully within and outside the region.

The limited common market as conceived in 1973, caused no great transformation in the Caribbean economy in the subsequent 15 years. Yet, a great transformation was warranted. For in addition to its long-standing difficulties in maintaining stable growth, the region, and its affairs were increasingly being drawn into an international scheme of things where the very barriers on economic transactions which the region had imposed on itself were being dismantled, or proposed to be dismantled, in relations between nations across the globe.

The decision in 1989, to replace the limited Common Market, as enshrined in the Treaty of Chaguaramas, with a Single Market and Single Economy was fully warranted by the frustrations of a difficult economic past, and the prospect of an even more challenging economic future.

The concept of a Caribbean Single Market and Economy as espoused and accepted in 1989 envisioned that the region should be reconstituted to become a

single market space in which not just goods, but also services, people, capital and technology should freely circulate, and rights of establishment of enterprise anywhere in the region should be enjoyed by the removal of the fiscal, legal, physical, technical and administrative barriers which have historically prevented such activities from taking place.

The concept also embodied the notion of a single Caribbean economy, based upon the pursuit of, as far as practicable, unified and harmonized economic and monetary policies. Specially, it called for the pursuit of a common trade policy, provision for the coordination of efforts to develop all of the productive sectors, a common competition policy, a common approach to consumer protection, dumping, subsidies and business development, a regional transportation policy, fiscal harmonization, a harmonized approach to capital market development, macro economic policy convergence, special measures to treat to the needs of disadvantaged sectors, regions, and countries, and the creation of new institutional arrangements to support and regulate cross-border economic liberalization and to resolve and to settle disputes.

## **WHAT HAS BEEN DONE**

At Grand Anse in 1989, the Heads of Government of the Caribbean Community decided that such a new CSME, embodying the market liberalization and economic harmonization and unification features as just described, should be created at the earliest opportunity and by 1993.

The commitment to such a date reflected more a heroic sense of urgency rather than a pragmatic appreciation of the complexity of the task, and the variety of measures at the technical, legal, institutional, financial and constitutional nature

that are required to transform 14 economies, that had evolved as separate entities, into a single economy.

Indeed, the only comparative experience, that of the European Union should have been a brake on Prime Ministerial enthusiasm in 1989.

For Mario Monti in “Europe – The Single Market and Tomorrow’s Europe” had this to say:-

“By the mid 1980’s, it began to dawn on many that after nearly 30 years, the European Community still had no real common market, and that many of the freedoms prescribed in the Treaty of Rome (1957) for capital, goods, services, and people remain a dead letter”.

The European Single Market was only created in 1992 having been conceived in 1957, and as a construct and concept, it is still evolving.

By comparison the process to create a Caribbean Single Market and Economy has been rapid fire.

The technical work to define what would be involved in such an exercise, and how the CSME should be structured was undertaken by 1992.

It was next decided that in so far as the original Treaty of Chaguaramas did not make provision for a CSME, the Treaty would have to be amended by the articulation of a number of protocols to change the organs of CARICOM, to remove restrictions on capital movement and the provision of services, rights of establishment of enterprises, movement of people and skills, protocols on regional agricultural, industrial, and other sector policies, transport, trade, competition,

special measures for the disadvantage and new mechanisms and institutions for dispute resolution including a Caribbean Court of Justice.

That essential legal work, under the auspices of an Inter Governmental Task Force involving region-wide consultations and negotiations, and the forging of a consensus on that wide range of complex issues, all requiring decision making in 14 separate capitals, was undertaken and the Treaty of Chaguaramas was revised and signed in 2002 to legally establish the CSME.

The Caribbean Single Market and Single Economy having been given a legal personality, the next step has been to bring it into operation .

Given the scale and complexity of what has been conceived, a work programme for the implementation of the provisions of the CSME has been devised, based upon very clearly defined priorities.

In this respect the chief priority has been attached to the implementation of the provisions to remove restrictions on the movement of people, capital, the provision of services, and the rights of establishment of enterprise.

Member countries have agreed to cease introducing new restrictions in these spheres, to notify Caricom of all existing restrictions, and to pursue a phased agreed programme to remove the restrictions by 2005.

Three countries (Jamaica, Barbados, and Trinidad & Tobago) have agreed to accelerate their implementation schedules and honour their obligations on this matter by 2004.

At the start of the exercise, it was determined that over 350 restrictions, mostly affecting rights of establishment, the movement of natural persons and cross-

border trade in services, requiring amendment to some 400 legal and administrative instruments, would be affected by the programme.

It has very clearly therefore to be understood that we have come to a place and time when the creation of a Caribbean Single Market and Economy does not just involve simple administrative actions such as the removal of tariff barriers at ports of entry. It now involves the conferment of rights, freedoms and obligations by states, to be enjoyed by citizens and enterprises, that are to be explicitly expressed in provisions set out in domestic law, based on a body of community law which is now being drafted.

The domestic legislation principally to be affected includes customs, company, intellectual property, registration of professions, exchange controls, alien landowning and various existing national laws containing fiscal measures which have been held to be discriminatory in their treatment of local and regional enterprises and activities.

It will be a tall order and a busy year for the Parliaments of Jamaica and Barbados to discharge our obligations. But it can and must be done.

In such a context, the second and related priority has been to create a Caribbean Court of Justice invested with an original and mandatory jurisdiction to apply and interpret the legal provisions pertaining to the CSME. Without such a Court, to give certainty and predictability to the application of the legal provisions set out in the revised Treaty of Chaguaramas, consumers, businessmen, investors and participating states will not be able to repose full confidence that the arrangements for the CSME will be applied fairly and consistently in every place, time and circumstance in the region. Indeed, Barbados would have a difficulty participating

in the CSME without the greater legal certainty and enforceability of its provisions that the CCJ now makes possible .

The arrangements to ensure the judicial and financial independence of the Court and to ratify its instruments, thus enabling it to be brought into existence, have been completed. By this action, the new CSME has been given a fair chance to be created and to succeed.

### **WHAT ALSO NEEDS TO BE DONE**

A lot more however remains to be done to bring the Caribbean Single Market and Economy fully into existence.

First, Chapter Four of the Revised Treaty of Chaguaramas sets out an ambitious Agenda for cooperation in the articulation and implementation of policies and programmes for sectoral development. It prescribes a regional programme of cooperation for all of the main sectors, setting as its goal their market-led, internationally competitive and sustainable production of goods and services. It contains a regional charter for micro and small Economic Enterprise Development, a common agricultural policy, a framework for regional human resource development, a regional technological development programme, a community investment policy, a policy for environmental and Intellectual Property Protection, for the development of the social infrastructure, the harmonisation of Investment Incentives, macro economic policies, industrial relations and comprehensive development of the financial system.

The satisfactory implementation of such arrangements for economic and financial harmonization and cooperation, as specified

in Chapter Four, would give a tremendous boost to the growth prospects of all Caribbean economies, be a spur to the creation of competitive enterprises and would open up new opportunities for investment and for the rationalization of the use of existing productive capacities on a scale never before contemplated in the region.

In compliance with its terms, already, a common regional fisheries regime has been tabled for consideration. Within the context of its provisions, there is the possibility for the pursuit of a common approach to the rationalization of traditional export production, in the face of the loss of preferences. Equally, we are at a place and time when the implementation of a regional energy supply and pricing policy and programme, based on respect for the National Treatment and Most Favoured Nation Treatment precepts as enshrined in Articles seven and eight of the Treaty must be carried through.

Concerted action in the joint development of our Tourism and Financial Services sectors is also provided for. It is imperative for example that within the context of Chapter Four obligations our region, in which 50% of the international cruise business originates, creates its own regional cruise line to deepen the value added that accrues to us individually and collectively from the only industry in which the Caribbean enjoys a dominant market position globally.

The implementation of the provisions set out in Chapter Four of the Revised Treaty concerning sectoral development also lends itself to the fostering of an entirely new partnership relationship among the regional private sector, the labour movement, the institutions of the civil society, our University and tertiary training institutions and respective regional governments.

The definition of the manner in which such a partnership should be structured and should take effect is urgent and must engage us immediately in order for us to move forward the process of embedding the workings of the CSME in the sectors' performance and in the functioning of the economy at the level of the enterprise.

At the end of the day, the CSME is intended to give rise to more competitive economies. As we seek to implement it, we must be guided by the precept that Governments do not compete – enterprises do. We must use the CSME therefore to evolve more competitive companies. The measures for sectoral development and the related framework for the operation of enterprises within the common regional economic space will facilitate this and must be brought into full functioning as soon as possible.

To bring the CSME fully into operation, important future work must also be undertaken at the domestic and regional level to implement the measures relating to competition policy and the regional policy pertaining to subsidies and dumping. Trade and economic activities in the regions must not only be free but must also be fair.

Of equal significance is the task before us to complete the programme for the establishment of regional institutions and institutional arrangements that would allow the single, unified economic space to be occupied on fair and equal terms by all. Important in this respect will be the creation of a Regional Competition Commission, the Caribbean Regional Organisation for Standards and Quality, the Regional Accreditation Unit, the Regional Development Fund, and the list of Regional Conciliators and Arbitrators to settle disputes that need not go to the Court of Justice.

We are all in this, equally and together.

It will also be difficult to fully convert the individual Caribbean economies into a single Caribbean Market and Economy in the absence of a common currency or at a minimum, an agreed workable mechanism for the convertibility of existing currencies in a manner that minimizes the costs and exchange risk forced by entities involved in cross-border transactions.

The matter of a common currency has been taken off the agenda because the macro-economic conditions necessary to create the conditions of stability to support a common currency do not now exist. This however merely accentuates the need for concerted macro-economic reform and the successful carrying out of a policy convergence programme as essential aspects of the creation of a Single Market and Economy.

Above all else, the creation of a CSME challenges the Caribbean to revisit and to revise its instruments for regional governance.

In 1973, Caricom was created to be a Community of Sovereign states. In this political capacity it was created to carry out a limited form of economic integration, most of which involved only administrative action at ports of entry.

It therefore contemplated no transfer of national sovereignty nor the devolution of authority, in relation to decision-making, to regional institutions.

The creation of a CSME is an entirely different matter. It will require far reaching legislative and institutional initiatives, whose incidence must be given certainty for stakeholders to have confidence in the process.

In Europe, which is the only other region that has sought to institute a process of integration similar to that of Caricom, regional decisions became European Directives enjoying the force of Community Law and obliged to be embedded in the national law. The European Council, the European Commission and the European Parliament have all been empowered to participate in decision making, ensuring that the process of implementation becomes certain and effective.

Under our present system for Regional governance, the Caribbean will attempt to establish a single economy relying almost entirely on inter-governmental cooperation and harmonization exercises that avoid the infringement of national sovereignty.

The full implementation of the provisions for the CSME will, in such a context therefore, be left to the discretion of the least ready and obliging member.

The arrangements for the implementation of the CSME now allow member states to provisionally apply the measures contained in the revised Treaty of Chaguaramas.

## **CARICOM AND THE CARIBBEAN COURT OF JUSTICE (CCJ)<sup>21</sup>**

The planned inauguration of the Caribbean Court of Justice (CCJ) later this year moved one step closer with CARICOM Heads of Government signing four instruments relating to the establishment and operation of the court.

The instruments signed on Thursday 4th July 2003 by the CARICOM Heads at their 24th regular meeting in Montego Bay Jamaica are: Protocol on the Privileges and Immunities of the Caribbean Court of Justice and the Regional Judicial and Legal Services Commission; Protocol to the Agreement Establishing the Caribbean Court of Justice; The Agreement Establishing the Caribbean Court of Justice Trust Fund and Vesting Deed of the Caribbean Court of Justice Trust Fund.

The signing of the CCJ related instruments was greeted with much enthusiasm by delegates at the meeting and witnessed by representatives of Caribbean and International media.

The chairman of CARICOM and Prime Minister of Jamaica, the Most Honourable Percival J Patterson underscored the importance of the CCJ. In his address at the opening ceremony in Montego Bay on Wednesday 2nd July the Prime Minister said, “The people of the Caribbean have invested their trust in us. They are now demanding a dividend from the edifice of integration- CARICOM-tangible results, which improves their well-being.”

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<sup>21</sup> CARICOM LEADERS SIGN INSTRUMENTS ON THE CARIBBEAN COURT OF JUSTICE 4 JULY 2003.

He added, “The Caribbean Court of Justice can no longer be delayed. A sense of self respect, if nothing else, dictates that we can no longer continue to put our judicial sovereignty in perpetuity on the coat-tail of an external body.”

Even though mooted for decades, more definitive steps towards the establishment of the CCJ intensified in 1999 when CARICOM Heads of Government mandated the setting up of the Preparatory Committee for the establishment of the Caribbean Court of Justice (PREPCOM). This body was charged with supervising the arrangements required for the establishment of the court.