



Central America and Caricom

The process of deepening trade and investment relations between Caricom and Central American countries made a quantum leap last week, in an initiative piloted by the T&T Chamber of Industry and Commerce (the chamber) with in conjunction with the Association of Caribbean States (ACS).

Titled "Connecting the Caribbean and Central America: Exploring and Seizing New Opportunities," the unique, one-day action oriented conference held at the Hyatt Regency on October 20, brought together selected entrepreneurs and leaders of the business communities of Central America and T&T aimed at establishing new relationships and identifying potential business opportunities.

The fact that the Prime Minister and two government ministers pledged full support for any move that would serve to deepen the integration process and develop better trade and investment relations between the two regions, is in itself a vote of confidence for any resolve that would have been born out of the deliberations of the conference.

Prime Minister Kamla Persad Bissessar, at the opening gathering prior to the conference pledged that the Government was committed to deepening trade and economic relationships between Central America and the Caribbean.

"Rest assured the Government is steadfast in its commitment to deepening the trade and economic relationship.

T&T and, by extension, our Caricom counterparts, welcome the opportunity to strengthen the economic and diplomatic ties with Central America, a continuation of our shared historical and cultural ties. It is the task of all our Governments to ensure that the creative capability of the peoples of this region are harnessed and our citizens empowered to function on the global stage, demonstrating that our small sizes do not deter us from achieving results comparable to those of our more developed neighbours," she said.

In his address at the conference, Trade and Industry Minister Stephen Cadiz told his audience: "There is tremendous opportunity in both our regions which we must harness if we are to move forward eco-

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nomically and compete internationally!"

And, in a direct call to the visiting business executives from Central America, Minister Cadiz said, "Rest assured you will be afforded exactly the same treatment as a local firm, with access to a range of fiscal incentives, tax and duty concessions and supported by a business friendly environment."

Further assurance came from Dr Surjattan Rambachan, Minister of Foreign Affairs, when, in delivering the conference's closing remarks, he said: "The Government is firmly behind this initiative to build and foster stronger business relationships with Central America.

We envision this foray as a natural extension of doing business in Caricom. Although we may have differences of language and culture, the universality of business is about building markets and increasing trade and investment. We believe the time is now for us to engage in greater South-South co-operation and trade."

In the fast-paced morning session, delegates heard from Professor Miguel Carrillo, executive director, Arthur Lok Jack Graduate School of Business; Ambassador Edwin Carrington, Secretary General of Caricom and Ambassador Yolanda de Gavidia, Secretary General, Central American Economic Integration.

Ambassador de Gavidia the audience that since 2007, the advancement of trade relations between both regions had ground to a halt, but expressed the need to "deepening our economic integration in the region with very clear short term goals."

She added that efforts were now being made to effect change in Central America's customs system which would enable easier access of goods through their borders, as well as putting in place a registration system which could see a company complete registration in one country, but which would be recognised in all.

Detailing the progress of the integration

process, which she described as one of the most advanced in the world, she pointed out that in 1960 the General Treaty for the Central American Economic Integration (TGIE) was signed and through almost 50 years of Central American Common Market, the integration project has been active without interruption.

In 1993 the Protocol of Guatemala to TGIE was signed and this opened up deeper integration between members states as well as increased integration in the world economy. Then in 2007 there was the signing of the Framework Covenant for the Customs Union which established routing sheet for constructing a Customs Union to enable facilitation on trade and free movement of goods; modernisation and rule convergence and institutional modernisation.

Ambassador de Gavidia listed six areas on the regional economic agenda:

1. Deepening the economic integration process through trade facilitation and free movement of goods;
2. The incorporation of Panama to the subsystem of economic integration;
3. The insertion of International Economic Arena;
4. Strengthening of the infrastructure conditions: Plan Mesoamerica;
5. Development of a productive integration strategy and
6. Macroeconomic stability and financial integration.

The Caricom Secretary General, Edwin Carrington saw the deepening of the Caricom-Central America relationship in the context of a strategy now being pursued by the Caricom Heads of Government to chart the region's development course in the 21st century, through judicious participation in the global trading and economic system.

"One element of this strategy is the strengthening of trading links with non-traditional trading partners; an approach intended to increase market size and opportunities and to stimulate competition among countries and enterprises of roughly similar size and stage of development as is the case with Caricom and Central America," added Carrington.

"Overall," he continued, "there is a partial framework towards connecting the two regions: Caricom and Central America. It remains however, for us to complete that framework through the wider participation by the countries of both regions which would enable us to take tangible and profitable actions."

The two conversation periods with respected leaders of the business community in T&T and Central America produced great interaction between the delegates and produced a great deal of shared information about business in both regions.

The first session, moderated by Dr Rolph Balgobin, included local business luminaries Arthur Lok Jack, Dr Aleem Mohammed and Kama Maharaj.

The second session, whose moderator was Juan Antonio Busto, had as its panelists Luis Miguel Castillo, (Guatemala), Edmundo Gil-Tavarez (Dominican Republic) and Mario Siman (El Salvador). They all spoke about their various experiences as they worked to expand their business in their own countries as well as abroad.

Summarising the day's activities, economist Jwala Rambarran touched on some core elements to drive the project forward, when he spoke of Central America using Caricom to access the European Union market and Caricom using Central America for greater market penetration into the US. He also cited a need for a greater Caricom diplomatic presence in Central America.

Rambarran saw the need to streamline the regulatory authorities as well develop a school curriculum to introduce bilingual programmes at all educational levels in addition to joint art/cultural exhibitions in both regions. He suggested that because of the number of weak links and inadequate market intelligence there was need to fast track the Caricom/Central America Trade Agreement to create a sustainable framework for trade. Rambarran suggested as well, the absolute need for more efficient air and sea transportation.

Following the deliberations, consensus from delegates on both sides of the Caribbean Basin was that the event was a most successful one and many expressed the desire for a timeline to move things forward in a way that would be beneficial to both sides.