

## **ASSOCIATION OF CARIBBEAN STATES (ACS)**

### **4<sup>th</sup> SUMMIT OF HEADS OF STATE AND/OR GOVERNMENT**

**Panama City, Panama, July 29, 2005**

#### **DECLARATION OF PANAMA**

- 1 We, the Heads of State and/or Government of the Member States and Associate Members of the Association of Caribbean States (ACS), have gathered in Panama City, Republic of Panama on July 29, 2005, to reaffirm our full commitment and support for the ACS and the validity of its principles and objectives outlined in the Convention Establishing the ACS, through which we will continue to promote the sustainable development of our peoples in economic, environmental, social and cultural aspects.
- 2 We recognise that the Tenth Anniversary is an appropriate occasion to reflect upon the evolution of the ACS, its achievements and challenges, and to focus on the future of our organisation. In this respect, we are committed to giving new political impetus to the Association.
- 3 We recognise that in light of the experience gathered over the past ten years, our Association has achieved a level of maturity that requires a New Vision to inspire its activities in the years ahead, and in that sense, the time is ripe for our Association to move more rapidly to achieve our principal objectives through promoting greater consultation and co-operation among our Member States, taking into account the dynamic of the international agendas, and by playing a more profound and effective role in the international community, particularly at the regional and sub-regional levels.
- 4 We recall the Guadalajara Declaration of the Latin America and Caribbean-European Union Summit, held in Mexico in May 2004, which recognised the ACS as an important regional partner for strengthening co-operation between the Greater Caribbean Area and the European Union. We will develop appropriate follow-up mechanisms to strengthen co-operation with the EU.
- 5 We reiterate our firm commitment to multilateralism and the fundamental principles of International Law. We recognise that in order to advance toward achieving peace and international security, sustainable development and social progress, it is necessary to effectively strengthen the multilateral system, with the United Nations organisation as the core. In that regard, we reiterate our willingness to contribute to the achievement of overall reform within the United Nations, which would strengthen the authority of the General Assembly, as the leading deliberative and representative body of the system, the coordinating role of the Economic and Social Council in activities for development, among others, and promote greater accountability, transparency, equitable representation and democratisation within the Security Council. In this regard, we underline the importance of ensuring

that the developing countries have greater representation on a reformed Security Council.

- 6 We reaffirm our commitment to the objectives and principles enshrined in the United Nations Charter, in particular, respect for sovereignty and the legal equality of States, human rights, the principle of non-intervention, the prohibition of the threat or use of force against the territorial integrity or political independence of States and respect for the right to free determination of the peoples.
- 7 We reiterate respect for the principles of sovereignty, territorial integrity and non-intervention, as well as the right of every people to construct in peace, stability and justice, their own political system. In this regard, we recall the Margarita Declaration, which rejected any type of unilateral coercive economic measures applied by any State and the extraterritorial application of internal laws, such as the Helms-Burton Law, which undermine the principles of international law and the United Nations Charter. Consequently, we are deeply concerned over measures that strengthen and expand the application of such legislation. We once again appeal to the Government of the United States of America to put an end to such measures, in accordance with the 13 resolutions (*"Necessity of ending the economic, commercial and financial embargo imposed by the United States of America against Cuba"*) approved by the United Nations General Assembly.
- 8 We reaffirm our condemnation of all acts of terrorism, in all their forms and manifestations, wherever they are committed and by whomever they are committed, and we pledge to continue strengthening co-operation among States so as to effectively prevent, suppress and eliminate this scourge.
- 9 We acknowledge the need to strengthen the fight against the global problem of drugs and its related offences. We reiterate the "Principle of Shared Responsibility" and the overall and balanced treatment of the problem, pursuant to International Law and in particular, with full respect for sovereignty, territorial integrity and legal equality of States. We are committed to the objective of arriving at a Caribbean that is free of the scourge of illicit drugs. We believe that the best way to address it is by way of international cooperation of a multilateral, regional and bilateral nature, based on the aforementioned principles.
- 10 We are committed to preserving the rich and diverse cultural identity of the Greater Caribbean, defined by our common assets and reinforced by the geographic space that unites us. Our association must be built on this unique foundation and must make optimum use of our collective capabilities so as to promote and protect our interests in the regional and international contexts.
- 11 We reiterate our commitment to democracy and recognise that governance must be based on democratic principles and institutions, social justice, equality and respect for the Rule of Law within the framework of a system that accepts and guarantees civic participation, satisfies social needs and strengthens sustainable development through governmental policies.

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We reaffirm our commitment to work to promote democracy, economic development and social progress in Haiti.

We recognise the efforts undertaken by the Republic of Haiti and the international community with the common objective of contributing to the institutional development and the promotion of the democratic process of the country within the framework of security, the Rule of Law, and full respect for human rights. In that respect, we stress the importance of generating extensive dialogue among all sectors of Haitian society in order to achieve political stability, economic growth, and national reconciliation. We further stress the need to create credible, inclusive, and transparent conditions necessary to ensure a free and fair electoral process.

We urge the international community to place greater priority on the mobilization of resources to facilitate the economic and social development of Haiti.

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We reaffirm that the fight against poverty and social exclusion is essential to promote and consolidate democracy. We reiterate that democracy and socioeconomic development are inter-dependent and mutually reinforcing. We therefore assign the highest priority to the social agenda and to the eradication of poverty, hunger, malnutrition, discrimination in any of its forms and economic, social and gender inequality. We fully support similar action in other regional and international forums and we will promote with these, the coordination of efforts so as to optimise resources and together fight poverty in all its dimensions. In this context, we underscore the importance of redoubling efforts toward achieving the Millennium Development Goals and other regional initiatives that are social in nature.

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In this respect, we welcome the support given to this Summit by the Regional Office of the United Nations World Food Programme in the overall analysis of the issue of hunger, malnutrition and social development in the Greater Caribbean; we therefore invite the World Food Programme to promote, in coordination with the ACS, the organisation of a network involving governments, multilateral, bilateral and non-governmental organisations, the private sector, communities and specialists and academics, toward gradually eliminating hunger and all forms of malnutrition during the coming decade, taking as one of its fundamental principles the feminisation of poverty.

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We acknowledge that in our countries there is a significant social sector of persons with disabilities who, in order to ensure full exercise of their rights, require special attention in matters of promotion as well as protection against any form of discrimination. Consequently, state policies in all spheres should be aimed at eliminating the specific barriers faced by disabled persons in order to bring about a broad-based commitment with regard to access to and equal opportunities in the various activities that make up a way of life in our societies, as well as identifying the specific means or measures required to allow disabled persons the true exercise of

the entire range of human rights. In this manner we will be contributing to the development of increasingly inclusive, fair, and dignified societies.

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We agree on the need to ensure greater efficiency in public administration, through increased civic participation, since this constitutes a fundamental pillar on which the stability and transparency of democracy rest. We also reaffirm our resolute commitment to emphatically fight, individually and collectively, as the case may be, public and private corruption, which undermines the economic capability of States to address the priority problems of their peoples, associated with development and equity, and is one of the factors that weakens citizens' confidence in the democratic system and its institutions.

We underscore the need to adopt individual and joint measures toward preventing, detecting and penalising corruption. We appeal to the international community for those States who have not yet done so, to consider the possibility of signing or ratifying, as the case may be, the United Nations Convention against Corruption, so that it can enter into force as soon as possible. In addition, we the States who are parties to the Inter-American Convention against Corruption express our commitment and support for the strengthening of its follow-up mechanism (MESICIC).

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We emphasise the important task of the United Nations Permanent Forum on Indigenous Issues to facilitate international recognition of the rights of indigenous peoples, including the elimination of all forms of discrimination, respect for their cultural identity and the improvement of their economic and social situation.

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We note with great concern the grave threat posed by the HIV/AIDS pandemic for the human, social and economic development of the Greater Caribbean and we recognise that in order to fight it, greater efforts need to be undertaken in the areas of prevention and treatment within the region and co-operation efforts need to be increased at the international level to guarantee universal access to medications and adequate treatment, and we pledge to develop a cross-sectoral strategy to co-operate with other regional intergovernmental bodies in the fight against HIV/AIDS. We further express our concern over emerging and re-emerging diseases such as malaria, dengue, yellow fever, tuberculosis, leprosy, Chagas disease and others, considering the current economic, social and environmental health context, health problems associated with unplanned development in densely populated areas.

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The Caribbean Sea is a common patrimony of the region and we, as its custodians, reiterate our decision to continue taking the steps necessary to ensure its recognition as a special area in the context of sustainable development by the United Nations General Assembly.

19 a

We instruct the Ministerial Council to permanently include this topic on its agenda, with a view to ensuring the formulation and coordination of a negotiating strategy to be analysed and approved

- by the Ministers of Foreign Affairs.
- 19 b We also instruct the Ministerial Council to coordinate with other regional initiatives, when appropriate, actions necessary to conserve the natural resources of the Greater Caribbean region.
- 19 c We propose to take into account the elements of the Resolution "Promoting an Integrated Management Approach to the Caribbean Sea Area in the Context of Sustainable Development" (A/RES/59/230), approved by the 59<sup>th</sup> Session of the United Nations General Assembly.
- 19 d In that regard, we support the efforts of the Secretary General of the ACS to contribute to the deliberations held within the framework of the Latin American and Caribbean Group, the Group of 77 and with our partners from developed countries.
- 19 e We welcome the Declaration of Mauritius adopted during the Conference to Review the Programme of Action of Barbados for Small Island Developing States, convened in Mauritius in January 2005, which reaffirms the need to work actively in favour of promoting the sustainable development of this group of especially vulnerable countries, for which international co-operation continues to be an essential factor.
- 19 f We reaffirm our commitment to strengthen co-operation and coordination among the Party and Signatory States of treaties establishing denuclearised zones, particularly among Caribbean States. In this respect, we highlight the convening of the International Conference of Party and Signatory States of Treaties Establishing Nuclear Weapon Free Zones, convened in Mexico City, on April 26-28, 2005, which served as a valuable opportunity for accomplishing this objective.
- 19 g We reaffirm the position adopted at the 3<sup>rd</sup> Summit in Margarita, where we reiterated our strenuous and forceful rejection of the continued use of the Caribbean Sea for the shipment and transshipment of nuclear material and toxic waste, given the threat that any accidental or deliberately induced spill of these materials would represent to the life and ecosystem of the region.
- We call upon the countries that produce nuclear and toxic waste to implement urgently relevant measures to establish reprocessing facilities which would put an end to the need for transshipment of this nuclear and toxic waste.
- Without prejudice to the foregoing we recognise the international obligations of ACS Members, particularly those that have obligations under the United Nations Convention on the Law of the Sea, and relevant Instruments of the International Maritime Organisation. We

urge those countries currently involved in production or shipment of nuclear waste to adopt measures aimed at strengthening international cooperation in order to comply with security measures on transportation of radioactive material, especially those adopted at the 47<sup>th</sup> General Conference of the IAEA (Austria 2003).

- 20 We acknowledge the vulnerability of our countries and territories to natural disasters and their negative impact on our efforts to ensure sustainable development; we also share the idea that the best way to combat vulnerability to natural disasters is to integrate disaster management and risk reduction into development policies and plans at all levels of our governments. We further reaffirm the importance of international co-operation, particularly at the regional level, in order to strengthen the national and regional bodies dedicated to the prevention and mitigation of risks and natural disasters.
- 20 a We urge the Member States and Associate Members who have not yet done so and who are in a position to do so, to consider the possibility of signing or ratifying, as the case may be, the ACS Agreement for Regional Co-operation in the area of Natural Disasters, so that it may enter into force as soon as possible.
- 20 b We express our appreciation for the support and humanitarian relief provided by the international community, particularly ACS Members, to those countries in the region affected by hurricanes in 2004. In this regard, we welcome the establishment of the Hurricane Relief Fund, as proposed by Venezuela within the framework of the Caribbean Development Bank in April 2004.
- 20 c We welcome the Declaration of Kobe adopted during the Second World Conference for Disaster Reduction, held in Japan in January 2005, which reaffirms the importance of integrating disaster management and risk reduction into development policies and plans at all levels of our Governments, particularly the need to promote international financial assistance and the transfer of technology necessary to strengthen risk management capabilities in vulnerable countries.
- 20 d We pledge to foster international co-operation and capacity-building in the area of natural disasters, in enhancing the provision of humanitarian assistance at all stages of a disaster and in promoting a culture of prevention and early warning systems.
- 21 We reaffirm our strong conviction that negotiations on trade and other economic issues within the framework of the World Trade Organisation (WTO) and the hemisphere must be geared toward achieving comprehensive and equitable agreements that would foster economic growth and regional integration. This would contribute to the fulfilment of the objectives of sustainable development, and allow the eradication of poverty. Therefore, our Association must play a more relevant role as an organisation that

provides a political platform for discussion and concerted action, in order to make a more meaningful contribution to trade negotiations.

- 21 a We recognise the urgent need to strengthen the economic integration of the Greater Caribbean and are concerned over the fact that intra-ACS investments and trade still reflect a very low participation that does not correspond to the development expectations of the Members' integration process. In this regard we propose making efforts to strengthen the mechanisms that will make it possible to increase the levels of intra-regional investments and trade as an important instrument to attain the goal of greater integration.
- 21 b We recognise the work undertaken by the ACS to support the progressive dismantling of barriers and obstacles to trade and the mobility of capital.
- 21 c We recognise the importance of having a Framework Agreement for the Promotion and Reciprocal Protection of Investments among ACS Members, an instrument that will help to promote, protect and confer legal certainty on investments and we therefore pledge to carry out the necessary actions. We instruct the Ministerial Council to adopt the measures necessary to commence the negotiation of this instrument.
- 21 d We support ACS efforts toward improving and expanding current export promotion mechanisms, applying new forms of collective participation and decision-making for their planning and scope.
- 21 e We confirm our recognition of the differences in size and levels of development of the small economies of the ACS and we place great importance on reducing their vulnerability. We stress the need for the Association to continue devoting efforts toward achieving special and differential treatment that would promote and facilitate participation from small economies in the global economy.
- 21 f We underscore the importance and significance of institutionalising the Business Forum of the Greater Caribbean as a tool for promoting trade and investment in the region and we urge those Member States and Associate Members who have not yet signed the Agreement on Reciprocal Co-operation among ACS Trade and Investment Promotion Organisations to do so.
- 21 g We reaffirm our support for the actions undertaken toward the establishment of a Virtual Market and an Integrated Information System among the countries of the Greater Caribbean, which would help increase participation from the public and private business sectors of our countries in intra-regional trade.
- 22 We agree that the tourism sector is one of the most important sources of foreign direct investment and foreign exchange earnings, and a significant

provider of employment in the region, and we therefore welcome initiatives within the ACS to establish tourism programmes and increase the number of visitors to the Zone, in accordance with the concept of sustainability.

22 a

We recognise that the Convention Establishing the Sustainable Tourism Zone of the Caribbean (STZC) creates the first sustainable tourism zone in the world. We appeal to the Member States and Associate Members who have not yet done so and who are in a position to do so, to consider the possibility of signing or ratifying, as the case may be, the Convention and its Protocol, so that they may enter into force as soon as possible.

22 b

We have decided that the Ministers or the highest tourism authorities of ACS Members, in the framework of the Special Committee on Sustainable Tourism and in conjunction with the specialised organisations in the Greater Caribbean, should convene a meeting during the first half of 2006, during which experiences would be exchanged and proposals and alternatives regarding public tourism policies would be examined, especially those associated with cruise ships, so that the possibilities of this type of tourism providing a greater contribution to the sustainable development of the sector in countries within the zone can be evaluated.

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We recognise transport as an adequate channel for strengthening regional ties, especially in the areas of trade and tourism. In that respect, the ACS is a suitable instrument for addressing the main challenges of maritime and air transport within the framework of the programme: Uniting the Caribbean by Air and Sea.

23 a

We urge the Member States and Associate Members who have not yet done so and who are in a position to do so, to consider the possibility of signing or ratifying, as the case may be, the Air Transport Agreement among the Member States and Associate Members of the ACS, so that it may enter into force as soon as possible.

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We support the efforts of the Special Fund and the Secretary General to promote medium and long-term programmes beyond specific projects. In this respect, we propose a strengthening of their efforts toward the acquisition of resources. We instruct the Secretariat to develop a communication strategy to promote awareness of the work carried out by the ACS.

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We recognise the growing success of the ACS in implementing a culture of co-operation among the integration and co-operation organisations in the Greater Caribbean, particularly among its Founding Observers, and we support joint efforts toward the four areas of interest of the ACS being backed by the commitment of the Members and Secretariats with continued functional collaboration. In this respect, we invite the Founding Observers and other regional and sub-regional organisations to promote the broadest

participation possible on their part, in the building of bridges among the different groups of ACS Members and we support joint activities, current and future, toward the mobilisation of extra-budgetary resources.

26 We acknowledge the significant co-operation received by the ACS from those Member States, Associate Members, Observers, International Organisations and other co-operation agencies, without whose contributions the projects and activities undertaken thus far would not have been possible, in addition to which we appreciate their perseverance in the activities of the ACS.

27 We congratulate ourselves over the 24th renewal of the San Jose Agreement, signed on August 3, 2004, and which extended for one more year the commitment of Mexico and Venezuela to jointly supply up to 160,000 barrels of crude and/or refined petroleum per day to the participating countries of Central America and the Caribbean, as well as over the upcoming renewal that was the topic of a meeting that the Bilateral Follow-up Committee held in Mexico City on 26 July.

We underscore the importance of the continuation of this Agreement and acknowledge the modifications made by the governments of Mexico and Venezuela to its financing system, which has been shored up by the recent signing by the Mexican Government of the Agreements for the Channelling of Resources Derived from the San Jose Agreement – by means of the Finance and Public Credit Secretariat with the Central American Bank of Economic Integration (CABEI) and the Banco Nacional de Comercio Exterior (BANCOMEXT) – which makes the financial terms and conditions more flexible. The formalization of these agreements reaffirms the Mexican Government's political will to strengthen the cooperative nature of the San Jose Agreement, speed up the use of resources, and facilitate the financing of projects.

We appreciate the efforts of the Government of the Republic of Trinidad and Tobago, through the establishment of the Petroleum Stabilization Fund in 2004 – a grant facility – and its renewed commitment in 2005, to extend solidarity and support to those CARICOM states which experience difficulty arising from the increase in oil prices.

We appreciate the efforts being made by the Bolivarian Republic of Venezuela to cooperate in solidarity with the countries of the Caribbean area, and note the holding of the 1st Energy Meeting of Heads of State and/or Government of the Caribbean on PETROCARIBE, which took place in the city of Puerto La Cruz-Venezuela on June 28-29, 2005, with the fundamental purpose of contributing to energy security, socioeconomic development, and the integration of the Caribbean countries by means of the sovereign use of their energy resources.

28 We celebrate the election of the Secretary General of the Association of Caribbean States, Dr. Rubén Silié Valdés in February 2004.

29 We invite the territories eligible for ACS membership to take the necessary

steps to become Associate Members, with a view to achieving universality of membership as provided for in the Convention Establishing the Association of Caribbean States.

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We express our deep gratitude to President Martin Torrijos Espino and to the People and Government of Panama, for the warm welcome and hospitality shown during the convening of the 4<sup>th</sup> ACS Summit.