

DIRECTORATE OF TRADE DEVELOPMENT AND EXTERNAL ECONOMIC RELATIONS

PLAN OF ACTION

Background:

The Convention Establishing the Association of Caribbean States (ACS) was signed on July 24, 1994 and as provided in Article III of said Convention, the ACS is an organisation for consultation, co-operation and concerted action, whose purpose is to identify and promote the implementation of policies and programmes designed to strengthen co-operation in the areas of trade, sustainable tourism, transport and natural disasters with the overall objective of promoting an enhanced economic space for trade and investment and the sustainable development of the Greater Caribbean region.

The Committee on Trade Development and External Economic Relations, drawing as a reference the Convention Establishing the ACS, in which the Heads of State and/or Government affirmed the resolution to “Promote, consolidate and strengthen the regional co-operation and integration process in the Caribbean Region in order to create an enhanced economic space that will contribute to its more competitive participation in international markets ...”, and also using as a reference, the mandates emanating from the 4th Summit of Heads of State and/or Government contained in the Declaration of Panama of July 29, 2005, approved the Work Programme for the 2012-2013 biennium, during the meeting of the Trade Committee held on June 23-24, 2011. The Work Programme presented by the Republic of Panama contains four pillars:

- Promote actions to deepen Trade Convergence and greater participation from ACS Members, with special emphasis on small economies.
- Define actions that would consolidate a logistical and multimodal platform to promote the development and expansion of Trade and Investment, their facilitation, competitiveness and connectivity among the countries of the ACS Region.
- Integrate the ACS Region with other regional initiatives associated with Trade Convergence and Infrastructure.
- Promote and encourage International Trade Negotiations and Training on trade-related matters.

Objectives of the Work Programme of the Directorate of Trade Development and External Economic Relations:

The Directorate of Trade Development and External Economic Relations, cognisant of the need to expand intra-ACS trade and to promote an enhanced economic space for trade and investment, presenting opportunities for co-operation and concerted action that would allow an increase in the benefits offered by the synergies of the countries of the Greater Caribbean regarding the issues of integration and trade liberalisation, established the following specific objectives in the Work Programme for the period 2012-2013:

SPECIFIC OBJECTIVES BY AREA:

- Gradual Reduction and Elimination of Obstacles to Trade and Investment in the Greater Caribbean.

Promote initiatives and activities aimed at reducing obstacles to trade in the region (*E-Regulations*, Expedited Visas, Simplification of Import Procedures, establishment of an electronic consultation system for accessing information and import requirements).

- Promote and facilitate Special and Differential Treatment for the Small Economies of the Caribbean.

Promote Convergence and deeper trade through new unilateral tariff concessions, targeting the small economies of the Greater Caribbean.

- Promote the participation of the ACS Region in the activities developed in other trade integration initiatives.

Promote trade relations in the region, through forums in which the business community could explore new opportunities for business (Forum of MSME's of the Greater Caribbean, Business Forum of the Greater Caribbean). Also, identify appropriate ways of integrating the ACS Region into the activities developed in other Forums for building spaces for trade convergence and infrastructure.

- Promote and encourage International Trade Negotiations and Training on trade-related matters.

Strengthen trade capabilities in the area of negotiation, management and dispute settlement with respect to the Agreements of the Region, by way of training workshops offered with support from other international and regional organisations.

In order to achieve success and make strides in consolidating an enhanced economic space, in the framework of the Trade Directorate's work programme, the following are necessary:

- Acknowledge that trade plays an important role in the promotion of sustained growth and economic development, and said objective is included among the principles that govern the Association.
- Greater participation from Member States and Associate Members. Greater participation at the meetings of the Special Committee on Trade Development and External Economic Relations is required from the representatives of Member and Associate Member Countries, trade experts or specialists, in order for greater dynamism to be infused into the issues addressed and so that in due course, said issues would advance to a higher body after being discussed extensively and thoroughly during the Meetings of the Special Committee on Trade.
- Continue to hold the Business Forum of the Greater Caribbean and the Forum of TPO's, which are included in the work programme and which focus on facilitating and strengthening intra-ACS trade relations, with direct involvement from the entrepreneurs of the Greater Caribbean region.
- Develop a network of economic and trade information, as well as an electronic system that would allow the immediate acquisition of information, regarding the different topics of interest for the exporters and importers of each Member Country.
- Execute at least annually, 3 activities outlined in the Biennial Work Programme.
- As regards small economies and Special and Differential Treatment (SDT), it is also worthwhile for the ACS to occupy a more significant space in order to capitalise on its potentialities for the benefit of its Members. The dynamics in the economic and trade arena make it necessary for the Association to participate more directly in the trade negotiation forums that are most important for the region, thereby contributing to the quest for common approaches, concerted efforts and functional co-operation.
- Maintain trade statistics and an inventory of economic and trade studies at the website.
- The dynamics in the economic and trade arena make it necessary for the Association to participate more directly in the trade negotiation forums that are most important for the region, thereby contributing to the quest for common approaches, concerted efforts and functional co-operation.

- It is necessary to embark on close coordination with the sustainable tourism area, in view of the close interrelation that exists with economic matters.¹

TRADE IN THE GREATER CARIBBEAN: THE WAY FORWARD

There are a number of critical steps and strategies that can be initiated at various levels towards enhancing trade in the Greater Caribbean Region.

1. Benefits that can be realized from reformed policies and strategic approaches through innovation and new and niche sectors resulting in sustainable development and viable economic growth.
2. The ACS should be considered as a facilitator of intra-regional trade in supporting the development of the region. In this respect, the possibilities for enhancing intra-ACS trade must be explored and exploited and technical efforts must continue to promote this based on its mandated areas. In this context, work needs to continue on the initiatives to dismantle barriers and obstacles to intra-regional trade, improve the possibilities for transport, among others.
3. The ACS must create and promote joint strategies. The Greater Caribbean is an area in which new lines of co-operation and exchange could be consolidated, such as intra-regional foreign investment.
4. The ACS member states need to address the binding constraints to trade, investment and cross-border business development in order to boost intra-regional integration in the sub-region. In this regard, critical bottlenecks remain in the areas of product/service development for trade, competitiveness, transport and logistics, and the reduction and/or elimination of tariff and non-tariff barriers to trade, among other factors.

Conclusion:

The ACS should be considered as an intra-regional trade facilitator supporting the development of the region from an overall perspective of its mandate. It is therefore necessary to explore and take advantage of the possibilities for improving intra-ACS trade through closer cooperation and concerted action with other regional bodies, and to continue technical efforts to promote same based on its areas of mandate. In that context, the initiatives launched to dismantle barriers and obstacles to intra-regional trade need to continue, to the extent where they would offer significant benefits to the countries involved.

¹ During the 2nd Meeting of Tourism Ministers of the Greater Caribbean, convened in Barranquilla, Colombia in April 2009, countries deemed it important and thus mandated that the Trade and Tourism Directorates carry out projects together.