

EXECUTIVE SUMMARY OF THE FRAMEWORK PAPER – TOWARD A NEW VISION OF THE ACS

ASSOCIATION OF CARIBBEAN STATES (ACS)

**25th MEETING OF THE EXECUTIVE BOARD OF THE MINISTERIAL
COUNCIL**

Mexico City, Mexico, April 4-5, 2005

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According to the instructions given by the Member States and Associate Members of the Association of Caribbean States at its 8th Intersessional Preparatory Meeting convened on July 27-28, 2004, to prepare an Executive Summary of the Framework Paper presented by the Secretariat during the aforementioned Meeting, for its eventual presentation to the 4th Summit of ACS Heads of State and/or Government, the Secretariat has the honour to present the following:

~ EXECUTIVE SUMMARY ~

FRAMEWORK PAPER:

Toward a New Vision of the Association of Caribbean States

INTRODUCTION

The Association of Caribbean States (ACS) is the product of an aspiration of a group of countries with recognised leadership in the Caribbean region, who decided to breathe concrete and useful life into their regional similarities and common historical ties, despite the diversity of their cultures, languages, sizes and economies, guided by the notions and principles expressed in the Convention Establishing the ACS. Its tenth anniversary is an occasion for reflection that calls upon us to take stock of the developments and setbacks, the successes and disappointments, which would allow us to focus on the future perspectives of our sub-regional organisation, as well as the role that the Association is called to play in order to prevent the centrifugal forces that have dominated the Caribbean throughout history from continuing to dictate the course of our mutual relations and our relations with the rest of the world.

The ACS has not exhausted the potential that comes from assembling 28 countries and territories, and that asset must be placed to the fore when comparing the unifying advantages of this international organisation, especially now that the countries of the Greater Caribbean have renewed their commitment to multilateralism and their conviction that there is no contradiction between multilateralism and regionalism, including south-south co-operation mechanisms, as they themselves constitute a highly advanced expression of multilateralism.

We understand that when the Heads of State and/or Government agreed on “the consolidation of the Greater Caribbean” during their 3^d Summit, they were referring specifically to the need to develop the potential of their organisation at this stage of

burgeoning globalisation. This potential was highlighted most recently by the Latin America and Caribbean-European Union Summit held in Guadalajara, Mexico in 2004, when it recognised the ACS as an important regional entity, through which co-operation can be deepened and strengthened between the European Union and the Greater Caribbean Area.

Ten years after its inception, the ACS requires a new vision to facilitate its usefulness as an effective instrument for Caribbean integration, to strengthen confidence-building among governments and whose actions would serve as a point of reference for directing co-operation to support social development.

In the near future, in addition to the practical benefits of our alliance, we may aspire to create a unique culture of the Greater Caribbean, based on the promulgation of values that would gradually form a shared identity, backed by the recognition that the geographical space that we share unites and identifies us.

FUNCTIONAL TRANSVERSAL ASPECTS

The last few years have witnessed reduced participation by our delegations, both qualitative and quantitative, in the activities and meetings of the Association, especially the Meetings of the Ministerial Council, the Special Committees and more recently, the postponed Summit, which poses the danger that the international community could erroneously interpret this as a decline in the political interest of Members and which advocates the need to ensure their adequate representation, at the highest level possible appropriate for each meeting. It is also worrying that during this same period, the ACS has been prioritising its technical function in a strict sense, reducing the Association's political emphasis and consequently, the Ministerial Council and the Special Committees must redirect their efforts with a view toward returning to substantive dialogue in all of these bodies, regarding the issues of strategic interest that affect the Greater Caribbean.

It is equally important to recognise that Members are primarily interested in working toward reducing poverty, therefore any concrete action promoted by the Association must impact on the efforts undertaken to reduce physical and social vulnerability, thus contributing to the overcoming of social inequality among our peoples.

It must also be acknowledged that the ACS has evolved rapidly since its inception and the organisational structure, as presented today, would not be suited to the requirements of a futuristic vision of the Association, especially when the financial resources and human resource conditions have been neither adjusted nor updated over the last 8 years of its operations (with an average global inflation of approximately 25%), while Members' requirements have grown. For any project of a Greater Caribbean with an operative ACS that is, above all, effective, the Association must have financial resources and a professional Secretariat with response capability. At the very least, the payment of contributions must be regularised, which would allow the efficient

execution of a budget that would cover the Association's basic activities and eventually recover the surplus from previous years.

The celebration of the Tenth Anniversary is linked to the election of the third Secretary General of the ACS, which seems to be an ideal opportunity to reaffirm the role conferred on him by the Convention Establishing the Association of Caribbean States as the Chief Administrative Officer and Legal Representative of the Association, as well as the other powers bestowed on him by the Convention

Finally, from this functional transversal perspective, we must recognise that even though the ACS addresses transport, tourism, natural disasters and trade in the framework of their respective special committees, reality precludes their consideration in a compartmentalised manner since, for example, the tourism industry, especially multidestination tourism, is directly linked to advancements in the development of air and maritime transport and trade, which suggests the need for the Ministerial Council and the Special Committees to maximise the coordination of their efforts and the use of the resources acquired.

THE CARIBBEAN SEA

The countries and territories of the Greater Caribbean are custodians of the Caribbean Sea as the common patrimony of their peoples, as it represents enormous resources, among them significant biological diversity and a valuable asset whose conservation must be made a priority. The necessary steps must therefore continue to be taken toward the recognition of the Caribbean Sea as a Special Area in the context of sustainable development, by the international community, whether through the United Nations General Assembly or other UN mechanisms. This is an initiative that has the potential to become the spearhead for the ACS, but has been losing momentum following an erroneously perceived failure in successive Assemblies, however, knowing how such matters are handled within the International Organisation, it still has ample possibilities to be materialised through real concerted action by ACS Members within the UN.

To accomplish this, it is necessary that the Ministerial Council incorporate the aforementioned desire as a permanent item on its Agenda, in order to achieve the greatest cohesion possible in a joint negotiation strategy in the United Nations. It is also necessary to support the efforts of the Secretary General so that, by making use of the ACS' Observer Status in the General Assembly and other organs of the United Nations, he could contribute to the deliberations held within the Latin American and Caribbean Group, the Group of 77 and with our developed partners.

The realisation of this goal and its very negotiation process will provide the countries of the Greater Caribbean with respect and international financial, scientific, technological and legal resources that will allow them to tackle the serious problems being

experienced by our Sea, for example, the continued movement of radioactive and toxic material and waste and the management of maritime resources.

TRADE

Although it has been acknowledged that the ACS was not created as a trade integration mechanism *per se*, we cannot doubt that the benefits that may be derived in the framework of the World Trade Organisation (WTO) and the Free Trade Area of the Americas (FTAA) must be supported by the unification of the region's interests. It is therefore necessary to examine the real possibilities of the Association playing a more relevant role as an organisation that provides a political space for discussion and concerted action, in order to enjoy more significant incorporation into the trade negotiating processes in which the Greater Caribbean region can altogether have an important specific influence.

Beyond trade negotiations, which have their own forums, we must note with concern that intra-ACS trade represents barely 8%, approximately, of the total foreign trade of its Members and that the dependence on a small number of exports and trade ties with preferential markets, have rendered most ACS countries more vulnerable to external factors, thus compromising their capacity to achieve sustainable development. With similar concern, we must also confirm that although it is imperative for the effective integration of production and trade mechanisms in the region, intra-regional investment represents a small portion of foreign direct investment within the region.

From the foregoing stems the urgency to fulfil the objective of commercially and economically integrating the Greater Caribbean into a dimension that would provide countries with significant benefits, without the implication that it would be necessarily integrated through the creation of a new free trade zone. In this respect, the ACS offers itself as an ideal forum for discussing the progressive dismantling of barriers and obstacles to trade and the mobility of capital and for improving and expanding export promotion mechanisms. The ACS also offers itself as a key hub for increasing participation from the public and private business sectors of our countries, thus taking advantage of the accumulated experience, private capital resources and the existence of private regional organisations.

As an all encompassing regional mechanism, the Association is in an excellent position to ensure that these efforts have extensive coverage that includes all ACS countries and territories, reaffirming the importance and recognition of the differences existing among them in terms of population size, territorial area and level of development.

SUSTAINABLE TOURISM

The tourism sector is the most important source of foreign direct investment in the region, is the most significant provider of employment and foreign exchange earnings in

many ACS Members and represents the first or second item of the GDP of the majority of the insular Caribbean. Furthermore, tourism has a multiplying effect on the remaining focal areas of the ACS, which is vitally important for the economic development of the region. The ACS offers itself as an ideal forum for supporting efforts to strengthen political will to establish multideestination tourism programmes and increase the number of visitors to the Zone, and could serve as the point of departure for a Regional Centre for Tourism Information and Studies, for human resource training and to provide updated and analysed information.

The Convention Establishing the Sustainable Tourism Zone of the Caribbean (STZC) is the recognition of this reality by ACS Members, since it provides the legal bases for making the Greater Caribbean known in the international arena as the first sustainable tourism zone in the world, for promoting multideestination tourism in the region and for raising standards and practices within the industry in environmental, economic, social and cultural areas. Its entry into force is a significant political and legislative challenge for Members.

NATURAL DISASTERS

The Greater Caribbean's vulnerability to natural disasters has an impact on efforts to achieve sustainable development that is as undeniable as the importance of international co-operation in their prevention and mitigation. In this respect, it must be pointed out that it is imperative that those Member States and Associate Members who are in a position to do so and who have not yet ratified the ACS Agreement for Regional Co-operation in the area of Natural Disasters, take the necessary measures as soon as possible for its prompt entry into force.

The ACS stands out as an important mechanism in the search for ways and means of achieving closer and more effective co-operation at the regional level, and in the carrying out of efforts to strengthen the national bodies and organisations responsible for disaster management and provide them with the tools and resources required to manage all steps of the disaster management cycle. The Association is also in an excellent position to play a more important role in the quest for ways and means of providing the region with the proper technology to predict and track the occurrence of natural disasters, as well as the capabilities and resources for effective disaster mitigation and management, in addition to efficient emergency and relief services.

TRANSPORT

The current situation in both air and maritime transport constitutes an obstacle to the strengthening of regional ties, especially in the areas of trade and tourism.

In the framework of the ACS Programme "Uniting the Caribbean by Air and Sea", efforts to face the challenges imposed *inter alia* by the small scale on which maritime transport

services are provided, the lack of competition among shipping companies, the use of antiquated technologies, low productivity on the part of the port workforce, high port security costs and prolonged periods of stay for vessels and their cargo could be strengthened.

Within the same scheme, in air transport, the ACS should be used to face the challenges imposed *inter alia* by the fragmented structure of the routes distributed among the small national lines. In this endeavour, emphasis must be placed on the importance of those Member States and Associate Members who are in a position to do so and who have not yet signed and/or ratified the Air Transport Agreement among the Member States and Associate Members of the ACS, taking the necessary measures as soon as possible for its prompt entry into force.

RESOURCE MOBILISATION

The new vision of the Association must look toward the accomplishment of great objectives, which proposes a reorientation in efforts toward resource mobilisation. Consequently, the strategy to garner attention and funding from the international community must be focussed on financing for ACS programmes and not specific projects, since the latter are just components of the former. With this objective in mind, the new vision calls for the creation of a Project Management and Resource Mobilisation Unit, which must have a permanent staff to support the work carried out by the Council of National Representatives of the Special Fund (CNRSF) of the ACS and the Secretariat in the area of programme management. For its part, the CNRSF should assume a more leading role in the implementation of the resource mobilisation strategy, especially in developing concrete dialogue on real co-operation and the facilitation of co-operation relations with regional and international organisations and donors.

Finally, among other possible imaginative methods, consideration must be given to the possibility of an administrative quota being taken from the donations negotiated for ACS programmes, in order to help finance the Project Management and Resource Mobilisation Unit, as is done in other international organisations, in addition to which the Secretary General's proposal for the creation of a Patrimonial/Institutional Fund must also be considered.