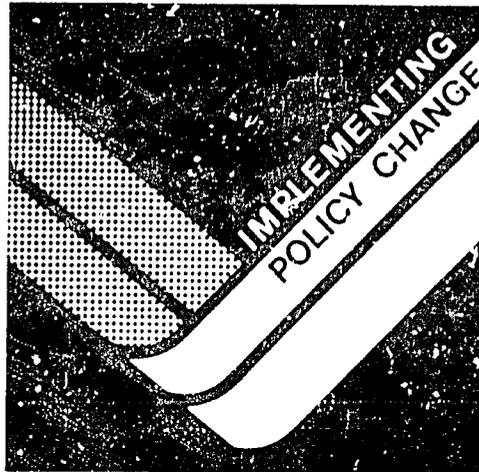

PROCEEDINGS OF A DESIGN CONFERENCE: EASTERN CARIBBEAN POLICY (ECCP) PROJECT

19-20 MARCH 1992

Presented to:
Regional Development Office/Caribbean (RDO/C)
U.S. Agency for International Development (USAID)



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United States Agency for International Development
Bureau for Science & Technology
Project #936-5451

PROCEEDINGS OF A DESIGN CONFERENCE:
EASTERN CARIBBEAN POLICY (ECP) PROJECT

19 - 20 March, 1992
La Toc Hotel, St. Lucia

Sponsored by

Regional Development Office/Caribbean (RDO/C)
U.S. Agency for International Development (USAID)

In Cooperation with

Implementing Policy Change (IPC) Project
Research and Development Bureau, A.I.D./Washington

28 March 1992

ACKNOWLEDGEMENTS

The Implementing Policy Change Project conference team wish to acknowledge the extraordinary time and assistance provided to us by the Director and staff of the Regional Development Office/Caribbean. Ms. Mosina Jordan, Dr. Ronald Stryker, Mr. Robert Wilson and Ms. Vernita Fort worked tirelessly to ensure the success of the conference. The team wishes to acknowledge the valuable contributions of two additional individuals, Dr. George McCandless and Mr. Adrian Augier. Finally, the team wishes to acknowledge the role of the Agricultural Policy Analysis Project, Phase II (APAP II) in preparing preliminary documentation and in supporting implementation of the Conference.

In the United States, Ms. Pat Isman, A.I.D., Bureau of Research and Development, Office of Economic and Institutional Development assisted the team with several planning sessions. The team also wishes to thank the following persons for their tireless support: Ms. Julie Koenen-Grant at Management Systems International, Ms. Chris Perkins at the International Development Management Center (IDMC), and Ms. JoAnne Yeager at Abt Associates.

The Consultant team wishes to state that the views expressed herein are those of the Conference, and do not reflect the official position of the Agency for International Development.

Dr. Marcus Ingle, IPC Task Manager and International Development Management Center, (IDMC) University of Maryland System and Dr. William Levine, IPC Consultant, and Abt Associates, Bethesda, Maryland and Dawn Marshall, IPC Consultant, Barbados

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I. INTRODUCTION AND BACKGROUND

USAID's Regional Development Office/Caribbean (RDO/C) contracted with the Implementing Policy Change (IPC) Project [PIO/T NO. 538-0000-3-10042] to assist in the design of a project entitled: Eastern Caribbean Policy Project (ECPP). IPC was tasked with the responsibility of helping RDO/C sponsor a conference to examine and refine proposed ECPP project elements (See Appendix 3). RDO/C, desiring understanding of and support for such a project, circulated copies of the original project design studies and a preliminary proposal to public and private sector leaders throughout the Eastern Caribbean. These leaders were asked to examine this documentation in preparation for a two day conference whereat they would discuss ways and means of strengthening the design elements of ECPP.

Letters of invitation were sent to Prime Ministers, heads of regional and sub-regional entities, private sector representatives and donors, asking these leaders to nominate participants to the conference. Attendees were then called upon to provide RDO/C with feedback to enable USAID to design a policy project sensitive to the needs of the region.

When they arrived, conference participants were provided with a packet of materials including an annotated agenda and several additional background documents. The objectives of the conference were reiterated. They were:

1. Identifying policy related adjustments that the region will confront in the '90s;
2. Suggesting /identifying appropriate foci of USAID assistance through ECPP; and
3. Suggesting/proposing how USAID assistance can be effectively targeted to achieve policy analysis and implementation.

These objectives were to lead to input to guide the next phase of the ECPP design effort.

II. DESIGN CONFERENCE PROCEEDINGS

A. WELCOMES AND OPENING

Conference Director, Dr. Ronald Stryker, officially opened the conference on behalf of RDO/C and introduced the first guest, Mr. Victor Girard, Cabinet Secretary to the Prime Minister, St. Lucia.

Mr. Girard welcomed participants to the Design Conference by stating in part,

"I wish to take this opportunity, on behalf of the Right Honorable Prime Minister -- John Compton, to welcome you to St. Lucia. We are happy that St. Lucia has been chosen as the venue for this conference on a Proposed East Caribbean Policy Project.... With this conference, the United States Agency for International Development has provided an opportunity for regional planners and policy makers to come together to discuss common problems and issues affecting our growth and development within the context of a changing international economic environment. This initiative should also be viewed in the context of other regional initiatives like the East Caribbean Environmental Management project and should seek, as is always our desire, to avoid duplication and ensure proper coordination among donors. It is hoped that your deliberations over the next day and a half will be constructive and would result in a consensus on the project substance, expected achievements and implementation strategies, and would help to strengthen the collaborative effort within the OECS sub-region."

Dr. Stryker then introduced Ms. Mosina H. Jordan, Director of the U.S. Agency for International Development (USAID) Regional Development Office/Caribbean (RDO/C) to present opening remarks on "USAID's Economic Assistance Strategy for the Caribbean."

Director Jordan described recent efforts within the Agency for International Development to develop a strategy for the region. The Agency's primary development agenda will focus on helping countries in the Caribbean to adopt more market-oriented policies, production systems based on comparative and competitive advantage, and means to manage the region's fragile natural resource base. She further pointed out that the strategy will be prepared to take full advantage of the Enterprise for the Americas Initiative with its vision of developing hemispheric free trade with free governments and free markets. As such, one of its dimensions will be promotion of regional integration.

Director Jordan concluded by linking the Eastern Caribbean Policy Project (ECP) with the region's transition to long-term growth, and recognizing the valuable assistance the participants would provide in helping RDO/C to focus its assistance for the Caribbean in the most useful manner possible.

Director Jordan then entertained a few questions from the participants. Clarification was sought as to whether A.I.D.'s strategic focus within the Caribbean was CARICOM-wide, or allowed for sub-regional development. Another question raised the ability of RDO/C to

undertake a project which extended beyond the OECS sub-region. Director Jordan responded that the strategy, which was still a draft document, focused on development both at the national and wider Caribbean region. She stated that at present RDO/C's mandate remained oriented to the OECS.

Dr. Ron Stryker next presented a brief overview of the proposed Eastern Caribbean Policy Project. He indicated that RDO/C's thinking about the project began about one year ago in the context of its assistance in the areas of agriculture, environment and natural resources and private sector development. The initial focus of the project was on food systems policy in the Eastern Caribbean, primarily in the areas of marketing, land use, and trade (both inter island and for export). In September 1991, a five person design studies team came to the Caribbean and did an initial assessment for RDO/C. This team interviewed over 130 public and private sector individuals, many represented at this Design Conference. They produced a draft report which was circulated throughout the region. One of the Design Conference's facilitators, Dr. William Levine, served as the Team Leader for the November design effort.

As a result of that study, and changing policy emphases in A.I.D./Washington as explained earlier by Director Jordan, the scope of the project was significantly broadened to encompass other policy issues dealing with trade liberalization and private sector development.

In February 1992, RDO/C developed the Preliminary Proposal for the ECF Project that was forwarded to all of the Conference Participants. The intent of this Conference was to consult with a wide group of Caribbean stakeholders from the both the public and private sector to get their impressions of and suggestions for completing the project design. Concurrently, RDO/C is working with Dr. George McCandless, an economist from the University of Chicago, to examine additional features of the design. Dr. McCandless also participated in the Conference.

Following this Conference, Stryker stated, RDO/C will bring in a team of consultants to produce a final design using the input from this Conference and interviews/meetings with decision makers and representatives of other donor agencies. It is RDO/C's intent to finalize a policy assistance project which fits with the expressed needs of the Caribbean, and is not duplicative of other donor agencies' efforts.

Dr. Stryker finished his presentation by stating his hope that the Conference would provide a setting where participants could step back from their daily routine and reflect on the policy issues confronting the region, and provide candid suggestions for AID. He then introduced the IPC Conference facilitation team -- Drs. William Levine, Marcus Ingle, and Ms. Dawn Marshall.

Dr. William Levine reviewed the objectives of the Conference as follows:

1. Identify policy-related adjustments that the region confronts in the 1990s.
2. Suggest/identify appropriate focus of USAID assistance.

3. Suggest/propose how USAID assistance can be effectively targeted to support policy development and implementation.

He also had all participants introduce themselves by giving their names and organizational affiliation (A final list of participants is presented in Appendix 1).

Dr. Marcus Ingle reviewed the annotated agenda for the conference (See Appendix 2) and asked for suggestions for refinement. He also requested that participants keep in mind the list of 'supplementary issues' for the conference including:

1. What mechanisms will be used to periodically review project priorities?
2. What are the appropriate mechanisms for coordinating project activities?
3. How can the proposed activities be linked to initiatives of other donors?
4. What role will the private sector play in any of the activities being discussed?

Finally, he set forth the working approach and norms for the conference. Ms. Dawn Marshall then dealt with "housekeeping matters" for the Conference, and the working part of the Conference began.

B. OBJECTIVE I: EASTERN CARIBBEAN POLICY-RELATED ADJUSTMENTS CONSTRAINTS AND RESOURCE REQUIREMENTS

Dr. William Levine led off this session by pointing to the global, hemispheric and regional events that were rapidly changing the ways that nations of the Eastern Caribbean dealt with one another and their trading partners. Effective policy analysis was essential to enable leaders and businessmen to make the right decisions in this changing environment. ECPP was to be a means of assisting them in doing just that. The first task facing the Conference Participants was to determine whether those policy related constraints identified in the Draft Proposal were the ones requiring attention, and if not, which were. Next, Participants were to discuss and list approaches and resources required for overcoming these constraints.

Policy was defined as "the formal or informal rules set by authorities that are meant to influence behavior."

Conference participants were then randomly assigned to several working groups. Each group had until the mid afternoon to complete the following tasks:

1. Select both a working group 'chair', and a 'reporter' to record and communicate the group's deliberations.
2. Considering the major economic adjustment areas presented in plenary (i.e., trade liberalization, private sector development, agricultural diversification, environmental management, and tourism and other economic sectors), to address the following questions:
 - a. What are the 3 to 5 most important policy-related constraints to economic adjustments in the Caribbean?
 - b. What approaches and resources (i.e., human, institutional, financial, etc.) are required for overcoming these constraints?
 - c. What other observations do you have on the adjustment areas, constraints or resource requirements?
3. Reporters were asked to capture the group's response to each of these questions on charts for a brief presentation in plenary session.

The working groups completed their tasks and returned to plenary session. Each group made a brief presentation of their deliberations, a synthesis of which, prepared by Mr. Robert Wilson, RDO/C, is presented below.

1. Trade Liberalization

-Lack of definition of objectives for development of exports and imports

- Concerns over revenue base
- Concern over infant industries and their protection
- International trade barriers, regional trade barriers
- Identification of comparative advantages
- Potential dislocations and need for complementary adjustments
- Transportation policy and infrastructure
- Regional initiative inconsistency with global trends
- Non-tariff and tariff barriers
- Capacity to analyze liberalization effects
- Policy impacts on comparative advantages not adequately analyzed, especially international policy impacts.

2. Private Sector Development

- Need for expanded role for the private sector in policy formulation and in economy
- Need for greater integration
- Organizational issues (mechanisms, staffing, finance) and strengthening
- Levels of support/services provided to private sector, including infrastructural support and incentives, and staffing.
- Education system contribution
- Non-transparent development strategies
- Differential levels of incentives for foreign and domestic entrepreneurs
- Joint ventures between public and private sector
- Weak institutions for facilitating private investment
- Weak, inadequately trained public sector
- Inability of capital to move, inadequate finance (indigenous and external)
- Movement of labor

- Alien land-holding -- both for OECS regional and extra- regional investors.
- Strengthening regional and national financial institutions (CDB, NDB's, and NDF'[s)
- Privatization as government incentive to sector development

3. Agricultural Sector Diversification

- Comparative disadvantages due to small scale
- Comparative advantages in production need to be identified
- Bananas, support for traditional crops, different levels of support
- land use/tenure/distribution
- Identification of markets and access to those markets
- Integration/Inter-island trade
- Levels of support (infrastructure, services, etc.) for non-traditional crops.
- Lack of trading companies providing marketing services to producers. Strengthened role for CMC's.
- Technology generation and dissemination, R&D.
- Need to develop new breed of farmers.
- Inadequate financing, venture capital
- Non-tariff barriers.
- Lack of encouragement of foreign investment

4. Environmental Management

- Lack of public awareness, training
- Balancing economic development and environmental concerns
- Land use policy/coastal zone policy/watershed policy/wildlife
- Enforcement mechanisms
- Insufficient environmental impact considerations

- Linkages to other sectors
- Impacts of macro and other sectoral policies
- Technological considerations
- Lack of consensus on importance of environmental issues

5. Tourism

- Comparative advantages
- Value for money
- Linkages to other sectors (agriculture, manufacturing, services)
- Attitudinal changes
- Regional marketing
- Costs of resources
- Attention to new markets (eco- and agro-tourism)
- Human resources
- Private sector involvement
- Lack of infrastructure
- Market information and analysis

Other Sectors

- Facing many of the same constraints as above

Some general observations from the objective 1 group presentations include:

- Coordination of the agendas of donor agencies
- National, subregional, regional foci
- Human resource needs
- Financial resources inadequate
- Management of policy for achievement of concrete results

- Insufficient dialogue between public and private sectors
- Length of project too short
- Incorporation of NGO, cooperative sector, labor union, informal sectors in development process.
- Statistical base/data base weaknesses
- Develop private sector capabilities in policy formulation
- Political will for implementation

C. OBJECTIVE 2: FOCUS OF USAID ASSISTANCE

Following the afternoon coffee break, Dr. Marcus Ingle introduced the objectives of the next session as:

1. Discuss and critique the ECP project preliminary proposal document in view of the Session I findings.
2. Offer suggestions for the most appropriate area of focus for the proposed ECP project.

Participants were asked to review their copies of the ECPP preliminary proposal. All participants then returned to their same groups with instructions to use the information generated in the morning session to answer three questions. The questions and group responses are presented below:

1. What are the 2 to 3 major strengths and weaknesses of the ECP preliminary proposal?

a. Strengths of the ECP Preliminary Proposal Document:

- * Focuses on restructuring and strengthening of the policy planning and analysis functions at the national and sub-regional levels
- * Includes working with private sector groups and strengthening them
- * Can assist OECS/EAS with the implementation of its mandate
- * Has the potential for broad-based support
- * Supports data base development which is much needed
- * Facilitates public awareness of key policy issues and concerns

b. Weaknesses of the ECP Preliminary Proposal Document:

- * It does not sufficiently recognize that "policy formulation" is the domain of decision makers
- * Assumes that private sector will automatically take off once policies are corrected, whereas there may also be a need for direct intervention into the private sector in areas of management training, information support, etc.
- * Does not sufficiently acknowledge the significant progress made in policy analysis and implementation in the OECS sub-region to date
- * As configured the project is unsustainable due to insufficient long-term training at the sub-regional and national levels

2. Are the project objectives appropriate? If not, how should they be modified?
 - a. In the goal statement, delete the first sentence. In Purpose statement, add the word "formulation".
 - b. Need government's active participation in the short and medium term, but government's role should be relieved in the longer term and replaced with private behavior.
 - c. Sustainability should be built into the goal statement of the project.
 - d. Add "and beyond" to the "challenges of the 1990s" in the goal statement.
 - e. The project is too short; recognize the difficulties of policy type changes by making the project longer.

3. Are the four (4) project components responsive to Caribbean needs identified in Session I? If not, how would you suggest revising or adding to them?

The group responses to these questions were synthesized by Dr. George McCandless during the morning of Day 2, and appear below, along with additional concerns that were raised regarding the project components in the various working groups.

a. Institutional Strengthening

- 1). National level
- 2). OECS level (unit already exists)
- 3). Private sector groups
- 4). Co-ordinate with other projects (ECEMP II, etc.)

Additional considerations with respect to institutional strengthening included: concerns regarding institutional proliferation; an observed need to strengthen the OECS; lack of privatization capacity at the national and regional levels; the absence of linkages between public and private entities in policy analysis and implementation; using the nascent Private Sector Development Council as the project "home" and strengthening it; the view that strengthening must come from the bottom up; i.e., strengthening at the national level as a pre-condition to effective regional operations; inclusion of labor unions and NGOs; coordination with other donors to avoid duplication; and care to strengthen existing institutions along with developing networking and coordination capacities as well as human resources.

b. Sector Statistics and Database Development

- 1). National level
- 2). Consistent at OECS level (Regional standards)
- 3). Demand driven
- 4). Equipment and training

Additional concerns over statistical and database development included desire for an in-depth commitment to develop national capacity as well as regional database capacity; a commitment to strengthening the private sector's capacities; the need to develop databases which are uniform at both the national and regional levels; and taking care to coordinate these efforts with other donors.

c. Policy Analysis and Formulation

- 1). Help decision-makers identify information needs
- 2). Private sector analysis

The major concern voiced with respect to this component was sensitivity regarding involvement of any outsiders in policy formulation. The workgroups felt that the project's policy focus should be on analysis rather than on formulation.

d. Policy Consensus and Implementation

- 1) Promote successes as models
- 2) Evaluate constraints to implementation
- 3) Facilitate at national/regional level (OECS/ECCB)
- 4) Skills and Equipment

The working groups felt that the term "consensus" was politically sensitive and should be removed--some went so far as to call for the overhaul of this section in the proposal to provide greater specificity. Concern was expressed over effective dissemination necessary to move from setting policies to getting them up and running. It was also felt that greater attention had to be paid to the private sector at the national level.

At the conclusion of Day one, Mr. Jethro Greene, Chairman of the Caribbean Farmers' Development Company was called upon to give a sense of the day's proceedings. Mr. Greene began by drawing attention to the possible need to redefine the private sector, insofar

as farmers, labor unions and NGOs seemed to be excluded. He reiterated the need expressed by several working groups to institutionalize a strong public-private sector interactive process.

Mr. Greene next turned to the area of human resource development. In addition to calling for a strong commitment to this area, he urged that the project develop a strategy which engaged political leaders in workshops that strengthened their capacities to make and implement policy.

Turning to the overall orientation of ECPP, Mr. Greene expressed concern that the project develop a strong action orientation rather than focus on studies. He saw the existing partnership between USAID and NGOs as having gone a long way to integrate the private sector into the policy process. He lauded RDO/C's commitment to the consultative process in project design and partnership in implementation.

Mr. Greene concluded by noting that the quality and calibre of the discussion and the level of maturity of the debate boded well for ECPP's design and ultimate implementation.

D. OBJECTIVE 3: TARGETING USAID ASSISTANCE--IMPLEMENTATION CONSIDERATIONS

Conference participants were again divided into five working groups and asked to discuss and critique the ECP Preliminary Proposal document regarding project implementation. This discussion was to be guided by both the proposal document and recommendations from Sessions I and II, and the groups were tasked with recommending a proposed institutional structure for implementing the project; an institutional "home" (or homes) for the project; and inputs necessary to implement the project.

Before dispersing into their respective groups, a brief spirited debate arose when one of the participants, representing private sector interests proposed that the project focus solely upon the private sector. This proposal was met by equally forceful declarations that both the public and the private sectors required support of the types to be proffered through ECPP. A third consideration was also raised--ECPP's need to recognize and include representation by labor unions and non-government organizations (NGO's). It was agreed that these views would be aired in the subsequent group discussions. The groups met for two hours and then reassembled to report their individual findings to the entire conference.

1. Proposed Institutional Structure for Implementation

After reconvening, each group was asked to draw an organization chart which reflected its proposed institutional structure for the ECPP (see Appendix 4). All five groups perceived the need of an oversight structure such as an Advisory Board (variously described as a Coordinating Committee, Coordinating Council or Project Management Committee), composed of public and private sector representatives of organizations and businesses participating in the project and possibly other donors. Regional in makeup (conference participants used "regional" to mean OECS-wide), and meeting once or twice a year, the Advisory Board would help determine policy priorities, evaluate annual workplan drafts, review and evaluate work to date, and otherwise provide implementation guidance.

There seemed to be consensus regarding the need for both regional and national-level policy support and two groups proposed that National Advisory Boards also be created to oversee activities at this level. Once again, USAID was urged to include labor union and NGO representation.

There was similar consensus that there be a project implementation unit at the regional level, but the groups demonstrated considerable diversity as to the nature of such a unit. Two groups proposed two implementation units--one addressing public sector issues and the other focusing upon private sector criteria.

The three remaining groups conceived of a single regional entity serving as the project implementation unit. One of these perceived a regionally-based team responding directly and bilaterally to regional and national organizations, institutions and businesses. A second, however, proposed an additional region-wide sub-stratum for public and private sector policy issues, while the third perceived the regional unit more in terms of a project management entity. This group accordingly focused more on project implementation at the national level,

proposing a national coordinator to oversee public and private sector policy implementation. One group also presented a separate schematic with a regional private sector executing body. This unit would oversee implementation to both the public and private sectors, but perceived oversight as best handled by an implementation unit focusing on strengthening development of the private sector.

2. Institutional "Home(s)"

The discussions revolving around identification of a location for ECPP were very spirited. Prior to this discussion, USAID reiterated its single major "ground rule:" that no new institutional entity be created to house this project. Consensus did emerge rather quickly that the project required a regional home and that the Organization of Eastern Caribbean States (OECS) ought to be considered as that home. Two groups argued that the importance of public and private sector foci within ECPP dictated the need for two institutional homes-- one within OECS and the other in the Caribbean Association of Industry and Commerce (CAIC) or within a soon to be established OECS Private Sector Council with functions similar to CAIC but lodged specifically within the OECS. The additional (i.e., sixth) proposal called for a single regional home within CAIC. Both groups suggesting CAIC stated that their "vision" of such a home called upon CAIC to alter its existing mode of operation, give the OECS considerably more time and attention, and incorporate agricultural development within its mandate. Emphasis upon the vitality of the private sector at the national level suggested that the project design consider focusing on a "bottom up" approach (i.e., concentrate on private sector development at the national level) as opposed to a CAIC-based "top down" option.

Where within the OECS such a home should be located resulted in considerable discussion. Three of the groups felt that the Economic Affairs Secretariat (EAS) in Antigua was the logical locale; another argued for the Secretariat in St. Lucia, and the fifth felt that it could be in either location. At issue in this debate was the extent to which the current workload and capacity of the EAS affected its ability to serve as an effective institutional home.

3. Recommendations for ECPP Inputs

The five groups commented on the proposed project inputs which appeared in the ECPP proposal in addition to others which they felt needed attention. The conference facilitators developed a matrix of these input categories which the respective groups responded to. Working group feedback regarding proposed inputs was as follows:

(a) Operations Support--All five groups voiced general support for this input as presented in the proposal, recommending only that institutional strengthening and support for an advisory board be included as aspects of financial assistance.

(b) Training--This input generated considerable commentary. Its importance was universally recognized, and greater clarification regarding access and the nature of training to be provided was called for. One group called for the "lion's share of project resources to be devoted to training and commodities."

In the discussion concerning long-term training, the groups called for the removal of the word "limited", referring to the need for considerably more training of this type. Moreover, the groups called for the inclusion of the University of the West Indies as a potential site for such training. Specific inclusion of training in statistics, data base management, policy analysis and program was called for, as was private sector oriented training in accounting, business studies business administration and management.

The working groups called for comparable specificity regarding short-term training, stating that skills training, on-the-job training, special retreats for policy makers, and courses tailored to the special needs of the private sector be included.

(c) Technical Assistance--The working groups argued for greater clarification with respect to technical assistance. Recognition of the need for long-term technical assistance at the national level was called for. The working groups also called upon USAID to utilize regional experts to provide technical assistance to the greatest extent possible. This was meant to include experts at both the regional and national levels. Where expatriates were used, it was essential for them to work closely with West Indian counterparts. One group asked that the term "team" be removed, and instead emphasize "experts." Another urged that this section be revised to focus upon institutional strengthening such that sustainability of policy analysis capability is realized.

(d) Commodities and Equipment--All groups averred the importance of this component, calling for the removal of the word "Limited" from what the project was prepared to provide. Special emphasis was placed on obtaining computer hardware and software components to strengthen the data base management system, and on communications equipment, such as facsimile machines and modem units, to ensure constant interaction.

The working groups were asked to indicate whether there were other inputs that needed to be included in ECPP. One group called upon the project design team to specify level of effort. Another called for RDO/C to ensure that the advisory board be provided effective support, including travel funds. This theme of support was echoed by another group which called for ensuring that adequate travel and research funding be provided. Finally, one group called for the design team to meet with other donors so as to ensure that inputs could be coordinated and their impact maximized.

E. FOLLOW-ON STEPS AND CLOSING

Dr. Marcus Ingle opened the final session by stating the objective as: "based on the results of the conference, suggest and outline next steps for reaching formal agreement on the ECP project design." Dr. Ron Stryker next reviewed the ECP Project design completion schedule. Following the Conference he mentioned that:

1. A Conference Proceedings report would be completed by the IPC consultant team within a week.

2. Then in late April, a USAID-sponsored design team would spend 4 weeks in the region completing a Project Paper in further consultation with key public and private sector actors.
3. In May through July, USAID would review the Project Paper provisions with decision makers at the national, sub-regional and regional levels. This would include discussions with other donor agencies.
4. The target date for approving the ECP agreement is July 1992. Dr. Stryker emphasized if the agreement cannot be negotiated by that date, then funding will be delayed for one more full year. In addition, missing this deadline will put the future of the project itself in jeopardy.
5. If the Project Agreement is signed by July 1992, then funds will be available to start the project in October, 1992.

He raised several questions for consideration as follow-up steps, two of which were:

1. Could this group of participants be viewed as the primary coordinating mechanism for completing the ECP project design?, and/or,
2. Do we need a smaller group of conference participants to serve as an executive committee for the ECP design completion process?

Responses indicated a consensus on using this group in that manner, but it was also pointed out that the final decisions would need to be taken by the respective ministers in the case of the public sector country representatives.

Participants were then asked to suggest specific actions that RDO/C and others should take following the Conference. Several suggestions were made and recorded as follows:

1. That the Conference Minutes Report be forwarded to the participants as quickly as possible for review and revisions. This was accepted by RDO/C.
2. That RDO/C send copies of the Conference Proceedings to the respective OECS Prime Ministers.
3. OECS Heads of State Meeting in late May, and RDO/C may want to use that forum as an opportunity to share information on the ECP Project. The RDO/C representatives agreed to consider this possibility.

Other suggestions made by individual members included:

1. Hope that the Chief of Party for the Design team could be drawn from someone present at the Design Conference;

2. That the Design Conference Proceedings should accurately reflect the areas of results of the working groups, and general areas of agreement where evident; and
3. Because CAIC as currently constituted is not appropriate for implementing the private sector component of ECPP, the subsequent RDO/C design team will need to recommend either a "bottom up" (i.e., national to regional level) approach or the restructuring of CAIC (with the inclusion of an OECS-based Private Sector Development Council). In any event, the design team will need to consider all options and make the final recommendations.

There were two main areas of agreement:

- a. The OECS is a distinct consensus area;
- b. Project should also foster public and private sector development;

Ms. Marcia Philbert-Jules, Senior Economist, Ministry of Planning, St. Lucia, provided the last formal presentation--an evaluation of Day Two. She began by pointing to the majority opinions expressed by the Conference's participants that the institutional base for the project be the OECS, and within the OECS that ECPP be located institutionally within the Economic Affairs Secretariat. At the same time, strong linkages with policy units at the national level were seen as essential.

Ms. Philbert-Jules also noted the sense of the Conference that strong private and public sector project support were called for and that it was important to forge linkages between the two sectors. She concluded with a call for a design characterized by flexibility and sustainability. ECPP should be able to adapt to changes as well as continue after the conclusion of the formal life of the project to meet policy goals and objectives.

Director Jordan spoke next, thanking everyone for coming, and especially thanked Mr. Colin Bully and the OECS/ADCU for assisting in bringing several participants to the conference. She assured the participants that she wants this to be viewed as an Eastern Caribbean effort that AID is supporting, and not a project owned by AID. She recognized that the trust level has not been so high in the past and assured everyone that she would do everything possible to demonstrate that AID deserves the trust of all in attendance. Dr. Stryker then officially closed the design conference.

APPENDICES

APPENDIX 1

LIST OF DESIGN CONFERENCE PARTICIPANTS

Antigua

Dr. Errol Cort
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Ministry of Economic Development

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Chief Technical Officer
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Mr. Cary Harris
Development Coordinator
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Mr. Sheridan Gregoire
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St. Kitts

Mr. Eugene Petty
Permanent Secretary
Ministry of Planning and Development

Mr. Howard Richardson
Executive Officer
Ministry of Finance

Mr. Wendell Lawrence
Financial Secretary
Ministry of Finance

St. Lucia

Ms. Marcia Philbert-Jules
Senior Economist
Central Planning

Mr. Vincent Peter
Economist
Central Planning

Mr. Adrien Augier
Director
Chamber of Commerce and Industry

St. Vincent

Mr. Theophilus Shallow
Senior Economist
Central Planning Division

Mr. Claude Leache
General Manager
Development Corporation

OECS

Dr. Vaughan Lewis
Director-General
OECS Central Secretariat

Ms. Deidre Lewis-Jessamy
Research/Conference Officer
OECS Central Secretariat

Mr. Colin Bully
Programme Coordinator
OECS-ADCU

Mr. Lawrence Wells
Chief, Project Coordination and Evaluation
OECS-EAS

Ms. Hortensia Brooks-Miguel
Project Economist
OECS-EAS

CARICOM

**Mr. Vincent Mahase
Agricultural Economist
CARICOM Secretariat**

**Mr. Ron Gordon
OIC/Agricultural Development Section
CARICOM Secretariat**

University of the West Indies (Barbados)

**Prof. Gerald Grell
Director,
Office of University Services**

CDFC

**Mr. Jethro Greene
Chairman
Caribbean Farmers Development Company**

CAIC

**Mr. Pat Thompson
Chief Executive Officer**

**Mr. Owen Higgens
Regional Export Project Unit Coordinator**

CARDI

**Mr. Calixte George
Executive Director
St. Augustine, Trinidad**

ECCB

**Ms. Elizabeth M. Tempro
Deputy Director,
Research and Information**

**Dr. Wendell Samuel
Economic Advisor
Basseterre**

**Mr. McHale Andrew
Special Assistant to the Governor
Basseterre**

CDB

**Mr. Allan Slusher
Country Economist**

Willey, Barbados

CFC

**Ms. Merlyn Combie
Corporate Planning Specialist
Port of Spain**

FAO

**Dr. Patrick Alleyne
Representative**

IICA

**Dr. Reginald Pierre
Representative**

UNDP

**Mr. Jan Wahlberg
Resident Representative**

U.S.A.

**Hon. G. Phillip Hughs
Ambassador
Barbados**

USAID/RDO/C

**Ms. Mosina Jordan, Mission Director
Dr. Ronald Stryker, Chief, Agriculture and Natural Resources
Mr. Robert Wilson, Agriculture and Natural Resources Officer
Ms. Vernita Fort, Program Economist, Program Office
Mr. James Grossman, Chief, Private Sector Office
Dr. George McCandless, Consultant, University of Chicago
Dr. Marcus Ingle, Implementing Policy Change Project
Dr. William Levine, Implementing Policy Change Project
Ms. Dawn Marshall, Implementing Policy Change Project**

APPENDIX 2
FINAL ANNOTATED AGENDA

DESIGN CONFERENCE FOR THE EASTERN CARIBBEAN POLICY (ECP) PROJECT
La Toc Hotel, St. Lucia, 19-20 March

Final Conference Agenda:

Day 1, March 19th

- 8:30 Formal Welcome and Opening by Victor Girard, Cabinet Secretary to the Prime Minister, St. Lucia
- 9:00 USAID Economic Assistance Strategy for the Caribbean by Mosina Jordan, Director USAID, RDO/C, Barbados.
- 9:20 Overview of the proposed ECP project and introduction of conference facilitators by Ron Stryker, Chief of Agriculture and Natural Resources, USAID, RDO/C Barbados.
- 9:40 Review of agenda, consideration of suggestions for refinement, and 'housekeeping matters'. Marcus Ingle, Bill Levine and Dawn Marshall, Implementing Policy Change (IPC) Project, Washington D.C.
- 10:00 COFFEE BREAK
- 10:30 Objective I: Eastern Caribbean: policy-related adjustments in the 1990s by Bill Levine, Abt Associates. In this session, participants will have an opportunity to identify policy-related constraints to and resource requirements for economic adjustments in the following priority areas:
- Trade liberalization
 - Private sector development
 - Agricultural diversification
 - Environmental management and linkages to productive sectors
 - Tourism and other economic sectors
- 10:45 Working groups on policy-related adjustments. Instructions for the working groups to be provided during the Conference.
- 12:00 LUNCH (at La Toc Hotel)
- 13:00 Working groups continue.

- 14:00 Working group reports. Each group will be asked to make a brief report on their deliberations, to be followed by questions and general discussion.
- 15:00 COFFEE BREAK
- 15:30 Objective II: Identify appropriate focus of USAID assistance by Marcus Ingle, International Development Management Center, University of Maryland. Based on the results of the previous session, participants will review and suggest modifications in the objectives and components of the proposed project.
- 15:45 Working groups on appropriate focus of USAID assistance.
- 17:00 Working group reports. Each group will be asked to make a brief report on their suggestions.
- 17:30 Reflection on the day by Jethro Green, Chairman, Caribbean Farmers Development Company, St. Vincent
- 18:00 Close of day
- 18:30 Informal Get-together

Day 2, March 20th

- 8:30 Synthesis and review of Day 1 findings by George McCandless, University of Chicago and Bob Wilson, ECP Project Officer, USAID, RDO/C, Barbados.
- 10:15 Objective III: Targeting USAID assistance to achieve policy development and implementation by Bill Levine. Participants will have the opportunity to identify where and how USAID assistance can be effectively organized and coordinated, i.e., location (national, sub-regional, regional), nature (public and private) and implementation arrangements.
- 10:30 Working groups on effective implementation mechanisms. (New groups will be formed.)
- 11:00 COFFEE BREAK (in working groups)

- 11:30 Working group reports. Each group will be asked to make a brief report on their deliberations.
- 13:00 Follow-on steps and responsibilities by Ron Stryker and Marcus Ingle. Based on the results of the Conference, suggestions will be made for reaching a formal agreement on the ECP project design.
- 14:30 Reflection on the day by Marcia Philbert-Jules, Senior Economist, St. Lucia
- 14:45 Closing by Ron Stryker and Mosina Jordan, RDO/C, Barbados

APPENDIX 3

Implementing Policy Change (IPC) Subcontract Task Order

Article I (Summary)

EASTERN CARIBBEAN AGRICULTURAL POLICY PROJECT DESIGN ASSISTANCE WORKSHOP

SCOPE OF WORK

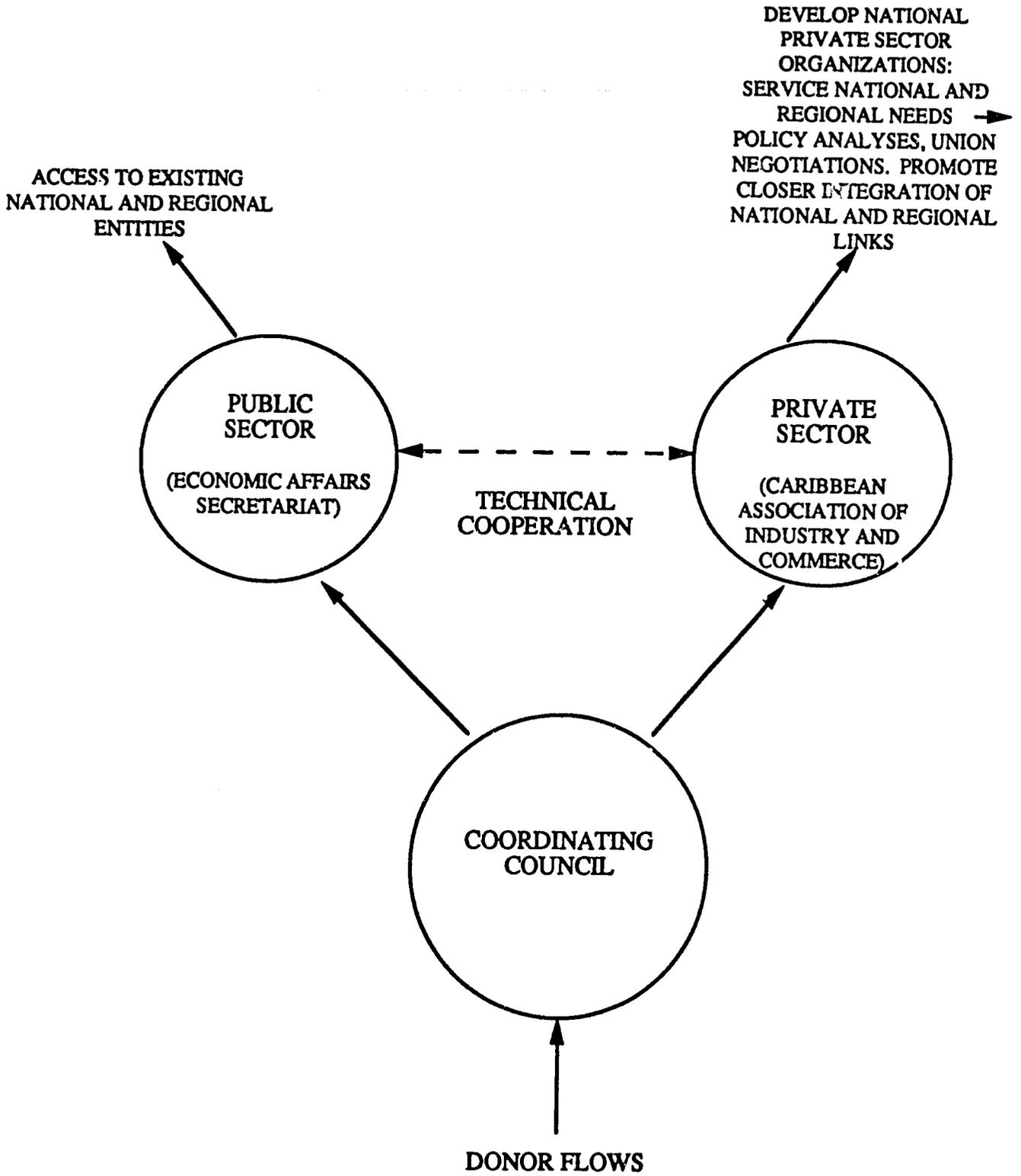
Purpose: In order to assure a working consensus amongst host country counterparts in the OECS region and with RDO/C, it is essential that the proposed project components and issues be thoroughly vetted to conduct a workshop after RDO/C has prepared the PID and before further analyses are done for the PP.

IPC Contractor's Task: The IPC contractor will:

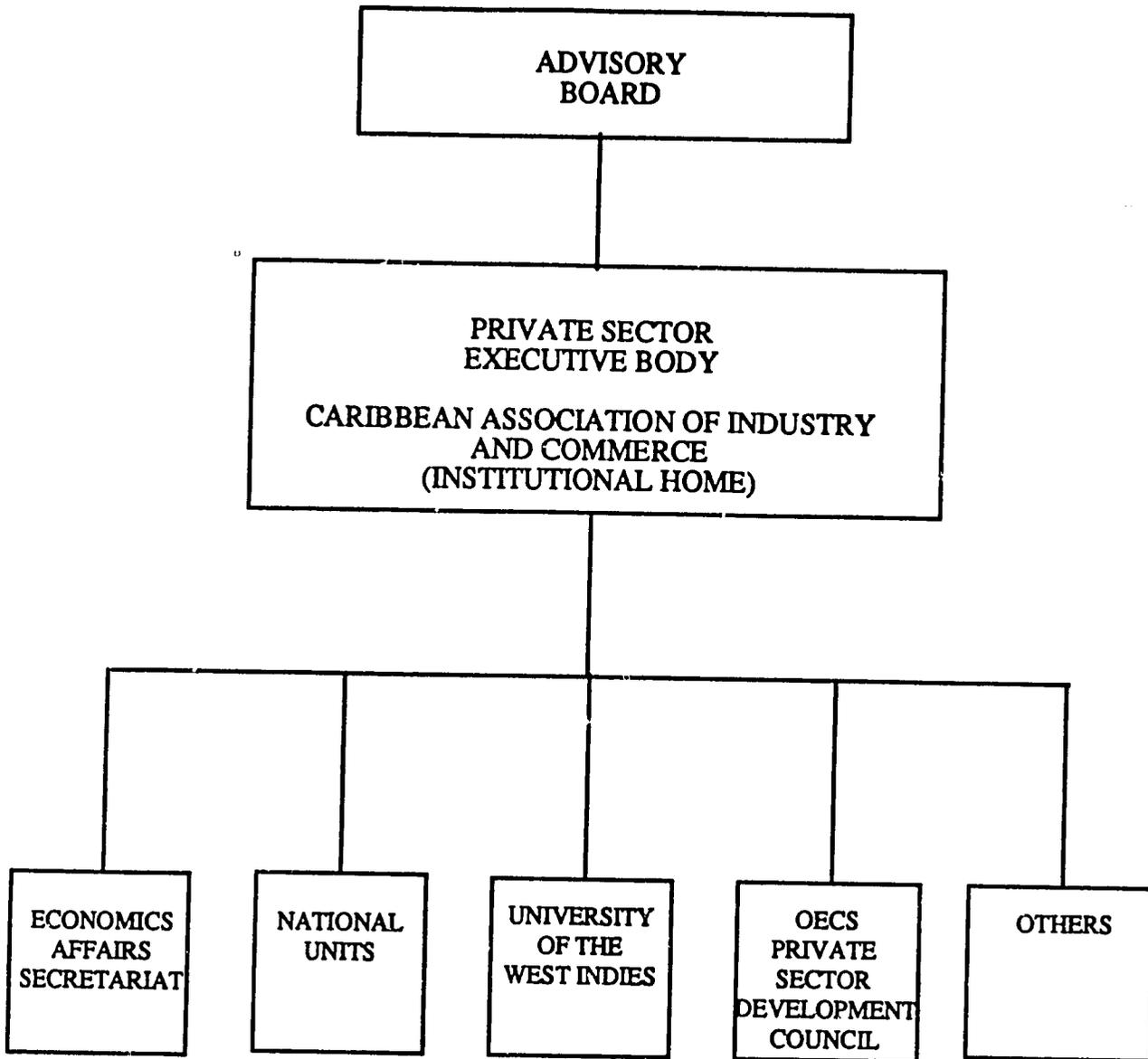
- 1) assess the implementation, institutional organizational and management implications of the reports conducted by the ECP project design studies team as well as the PID and prepare an agenda of workshop issues;
- 2) design and conduct a workshop in the region for policy specialists/decision-makers of the E.C. States and region to consider the issues agenda formulated from the ECAP design studies team report, RDO/C and host country counterparts perception of needs, and institutional arrangements, and to draw implications from the results of the workshop for the final design of the proposed project; and
- 3) provide a report on the workshop to RDO/C that includes implications for the final design of the proposed project, and recommendations for next steps in assistance from IPC, if appropriate.

APPENDIX 4
WORKING GROUP ORGANIZATION CHARTS

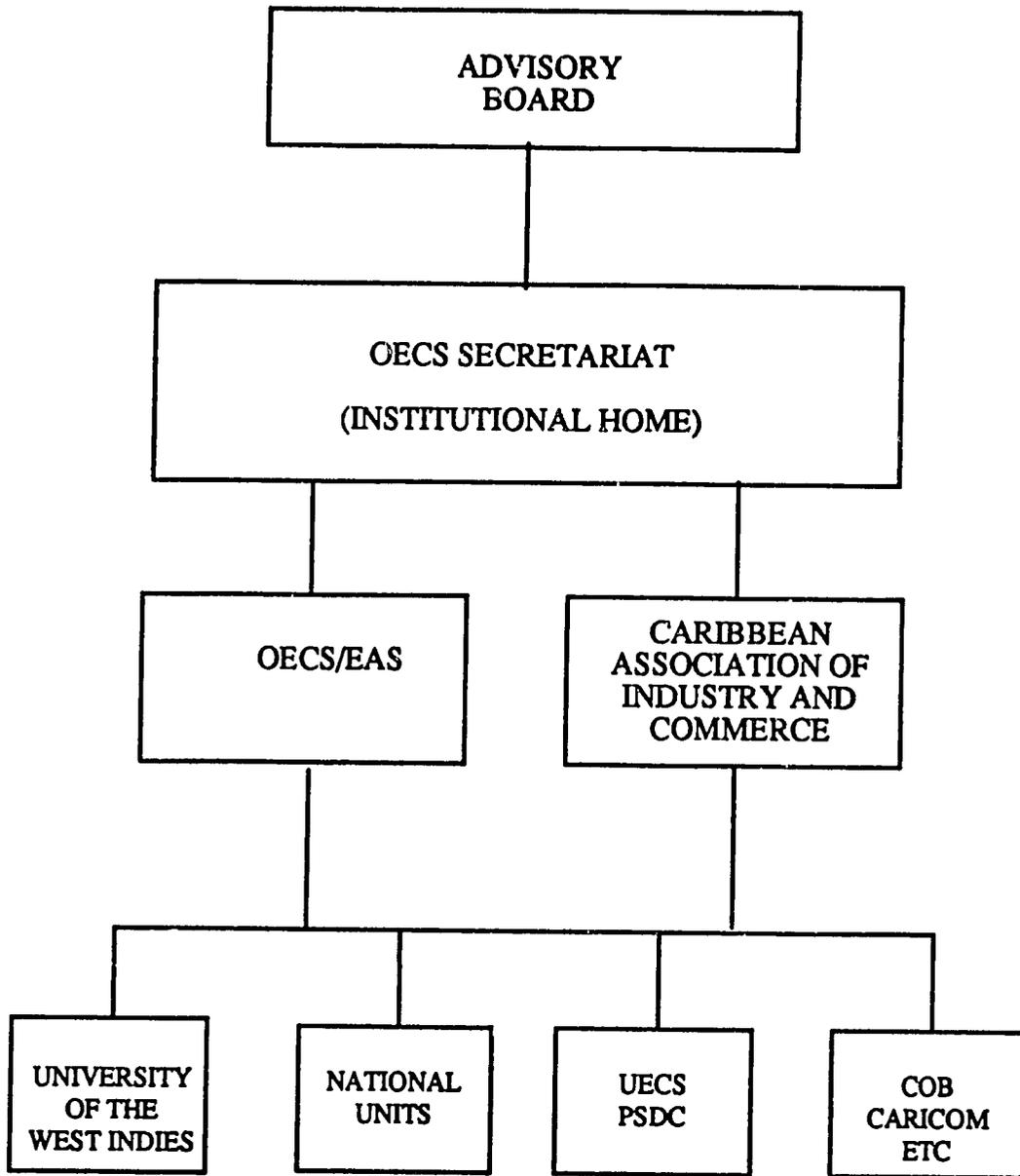
GROUP I

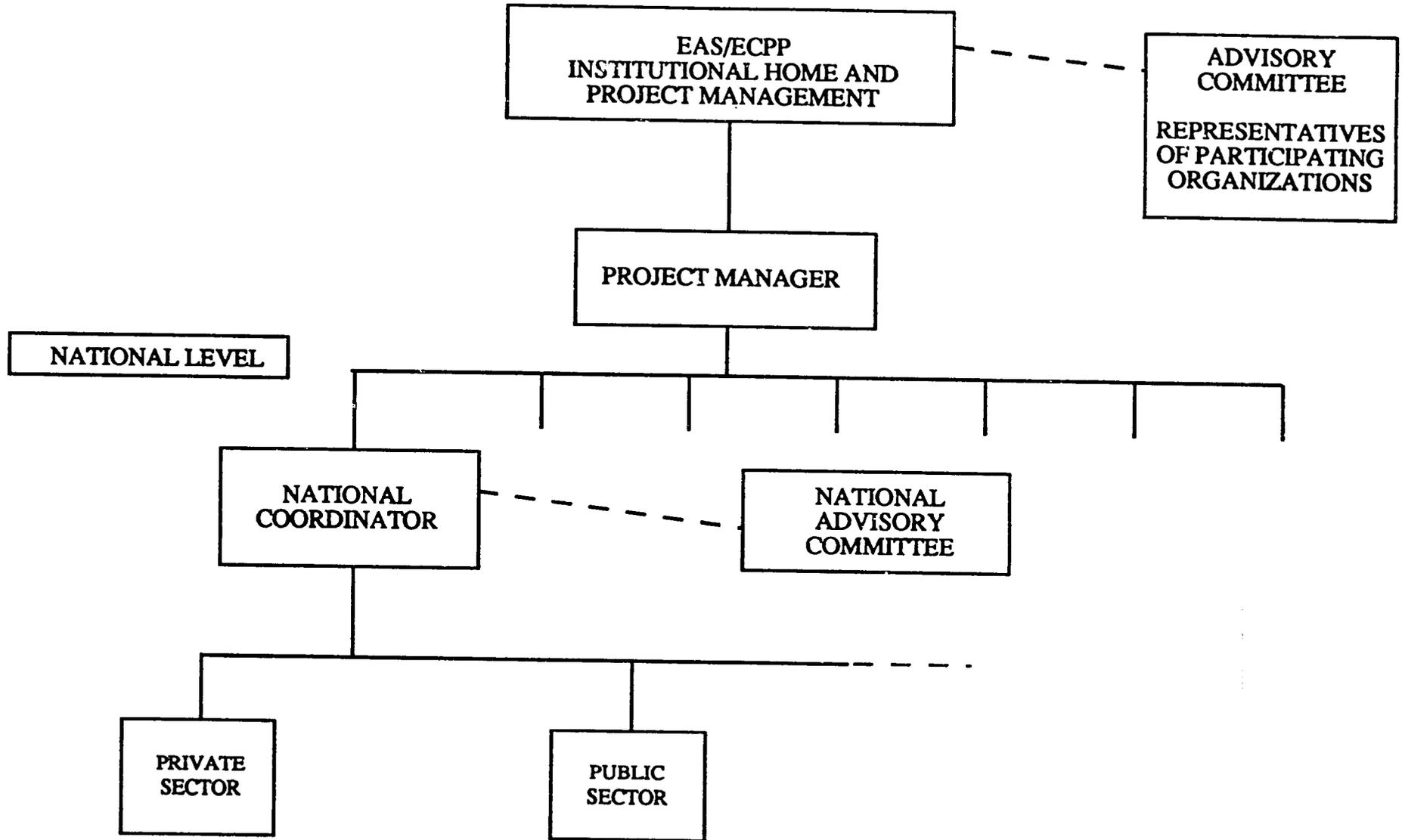


GROUP II



GROUP II (cont'd)



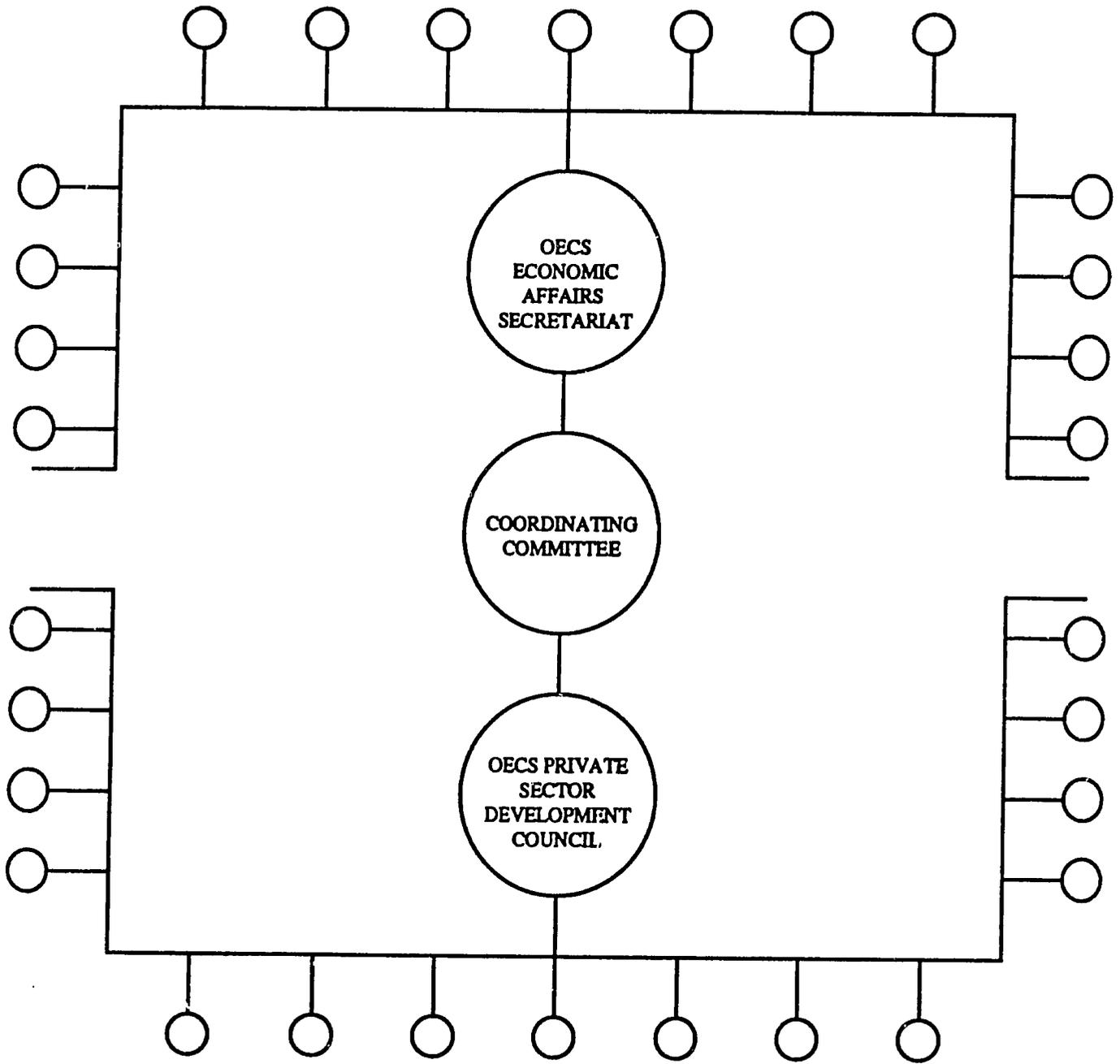


COORDINATING MECHANISM

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GROUP IV

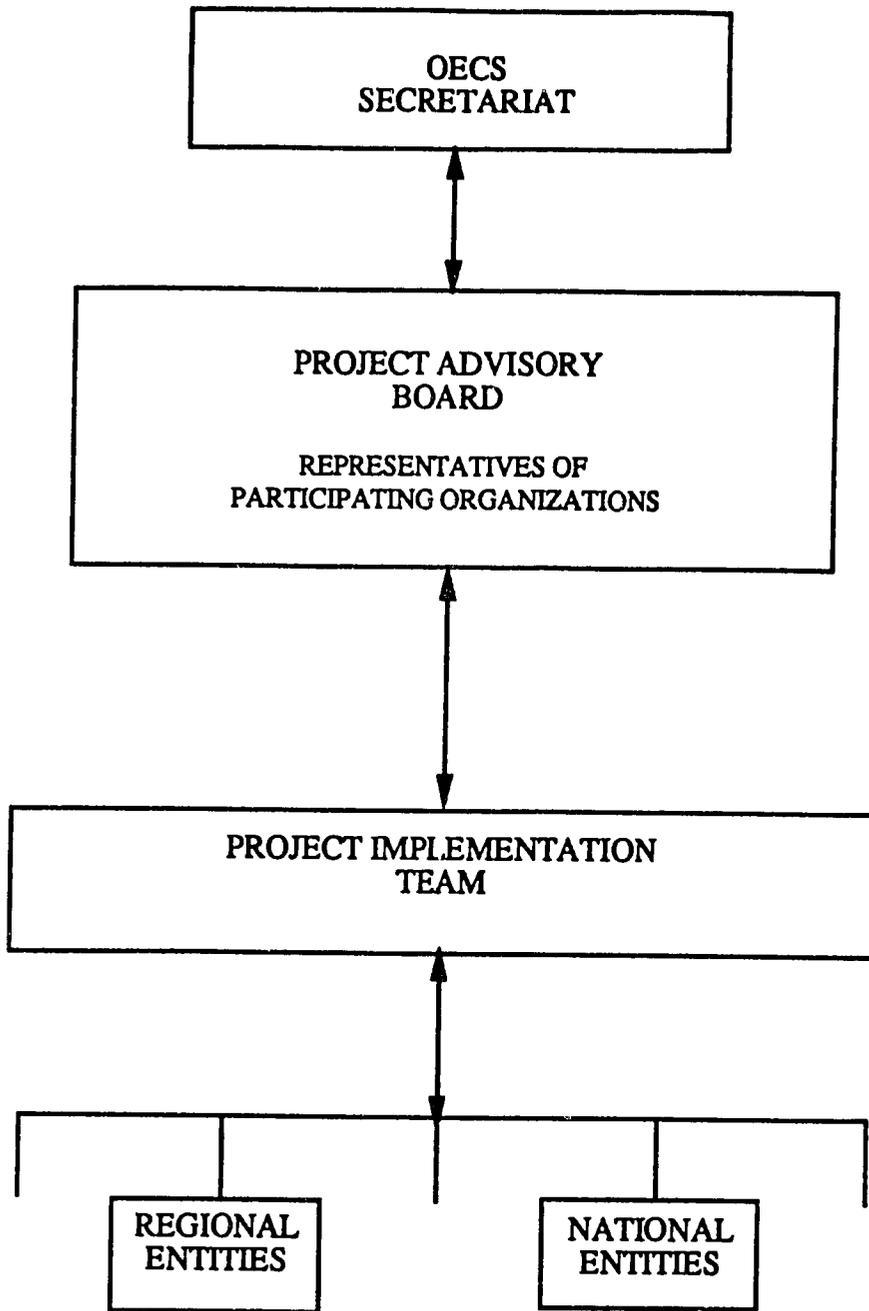
PUBLIC SECTOR



PRIVATE SECTOR

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GROUP V



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