

# **GEO Guyana Economic Opportunities**

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## **Realizing the CSME: Prospects for National Development**

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# **REALIZING THE CSME: PROSPECTS FOR NATIONAL DEVELOPMENT**

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REPORT OF THE NATIONAL ONE-DAY SUMMIT ON  
THE CARICOM SINGLE MARKET & ECONOMY  
DECEMBER 01, 2003, LE MERIDIEN PEGASUS HOTEL

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**STATEMENT BY THE HON. CLEMENT J. ROHEE, M.P. MINISTER OF FOREIGN  
TRADE AND INTERNATIONAL COOPERATION  
TO THE OPENING SESSION OF THE NATIONAL SUMMIT ON THE CARICOM  
SINGLE MARKET & ECONOMY**

Preparations are moving apace at various levels within the Caribbean Community to institutionalize as fast as possible the Single Market and Economy (SME) in this regard, Guyana is no exception.

The target year has been set for sometime before year 2005.

We are a mere two years away from this momentous event which will have a direct and indirect impact on the daily lives of each and every Guyanese. In fact, it would be no wild assertion to state that the Single Market and Economy is "around the corner".

Nine protocols have already been agreed to by heads of government of the Caribbean Community. They are:

Protocol One	New Institutional Structures of the Community
Protocol Two	Rights of Establishment, Provision of Services and Movement of Capital
Protocol Three	Industrial Policy
Protocol Four	Trade Policy
Protocol Five	Agricultural Policy
Protocol Six	Transport Policy
Protocol Seven	Disadvantaged Countries, Regions and Sectors
Protocol Eight	Competition Policy
Protocol Nine	Disputes Settlement

Guyana has signed and ratified all nine Protocols.

This being the case, it is becoming increasingly urgent to begin a country-wide, sustained public information and education campaign sooner rather than later. This national summit has been convened with a view to jump starting a consultative engagement involving the widest cross section of the Guyanese community

The CSME is "our thing". It is a reality that is soon to touch our daily lives. It is a higher form of regional integration, which if properly nurtured and guided can prove to be a major turning point in the lives of all Guyanese.

Coincidentally, the date 2005 is the target year when the FTAA is expected to "kick-in". Three years later, the Economic Partnership Agreement (EPA) between the European Union and CARIFORUM countries is expected to come on stream. Moreover, the multilateral trade negotiations of the WTO is scheduled to conclude by 2005.

The CSME will play a major role in determining the economic and social development of Guyana. A microcosm of what will happen is to be found in the modus operandi of the CARICOM Common Market Council. In other words, just as the Common Market Council has established rules for the free trade of goods and services in the region, in the same way, the Single Market and Economy will have regulations and procedures that originate from the nine protocols mentioned earlier.

That is why it is important for every social strata of our population understands what the Single Market and Economy is all about.

Our workers, manufacturers, farmers, businessmen, civil servants, academics, intellectuals, journalists, religious leaders, lawmen and students must all have a good grasp and a first class understanding of these protocols. It is vital that they acquaint themselves with those specific protocols which will have a direct relationship with their everyday activities. This is necessary if Guyana is to take advantage of the challenges and opportunities inherent in the CSME.

But there are two fundamental problems that are yet to be resolved. The first has to do with the harmonization of fiscal systems and the convertibility of currencies.

Though these measures are desirable, there are a number of factors of an economic and fiscal nature which makes them highly improbable at this point in time.

The other vexed question has to do with hassle free travel and free movement of skills within the Caribbean Community. At a Conference of Heads in the Bahamas in 2002, the question was asked:

"How can the market and the economy be single and Unified but the workers still trapped in their territorial homeland base"?

Guyana is unreservedly committed to the establishment of the Single Market and Economy. This is a long standing position of this country irrespective of the Government of the day.

In this regard, let us all heed the following words of advice of the CARICOM heads of government: "The starting point for effectiveness of the CSME requires a shift in our mind-set to a focus which looks to the entire region from one which regards only the country in which we reside as being available to each of us. It therefore cannot be business as usual".

In conclusion, I would like to take this opportunity to express the Government of Guyana's deepest gratitude and appreciation to USAID, and Mr. Mike Sarhan personally for the generous assistance provided to realize this activity.

I thank you.

**DR PETER DeGROOT'S REMARKS  
CHAIRMAN, PRIVATE SECTOR COMMISSION  
NATIONAL ONE-DAY SUMMIT ON THE CARICOM SINGLE MARKET  
AND ECONOMY HELD ON DECEMBER 1, 2003**

Thank You Mr. Chairman

His Excellency, Mr. Bharrat Jagdeo, President

Ambassador Brewster

Other members of the head table

It is indeed a privilege for the private sector to be invited, not only to make opening remarks for this one-day summit, but also to be an active participant. Thank you Honorable Minister for this opportunity. Let me also compliment you, on the initiative to organize this summit on the CARICOM Single Market and Economy (CSME) as we see it as a very important step in ensuring that Guyanese in general and the Private Sector in particular, understand the importance and potential of the CSME for our region.

In 1991, twenty-six years after the signing of the Dickenson Bay Agreement and eighteen years after the signing of the Treaty of Chaguaramas which created CARICOM, Roderick Rainford, a past Secretary General of CARICOM stated, and I quote –

*“we are aware of two basics truths: firstly, that the goals of Dickenson Bay and Chaguaramas are still largely unfulfilled: and secondly, that whatever the reasons for the non-attainment of these goals up to the present time, the need for integration, economic and otherwise, among Caribbean countries, remains a compelling imperative .....*” end of quote.

I believe that today, a further 12 years later that while in most regards the first part of this statement by Mr. Rainford remains mostly true, the second part on the need for Caribbean integration is even more important than ever if we are to survive as an economically viable region in the future.

The creation of the CSME is a complex exercise, as the interests of fourteen member states with different endowments and at different levels of development have to be balanced; agreements negotiated; legislation enacted or amended and critical institutions created. In reality, this delicate balancing act is what causes the integration process to become so protracted.

Most of you would be aware of the problems presently being experienced with both the WTO and FTAA Negotiations and as a result the tendencies now by the super powers, both the EU and US, to begin to negotiate bilateral trade arrangements with individual countries. We must also be aware that Guyana is much too small to be in a strong position to negotiate any bilateral trade arrangements with these super powers. Therefore it is absolutely necessary for us to be part of the larger CARICOM Community in order to benefit from the strength that our combined unity naturally gives us.

The combined CARICOM market of over 6 million people has now become even more important to our region's exporters when we consider how CARICOM's banana exporters recently lost their market in Europe with the implementation of the WTO decision or how our own rice exporters are on the verge of losing the reduced EU market we now have, with the new proposals for the reform of the Common Agricultural Policy in Europe and how our sugar industry can suffer significant income loss if the combined Australia/Brazil/Thailand challenge to the EU sugar regime succeeds. This CARICOM market is especially important when we consider that it is second only to Europe as a market for our bananas and rice and third for our sugar.

While the CSME has its many benefits such as significantly increasing the size of our protected markets, it will also create many challenges for our private sector especially our manufacturing and service sectors. Our businesses will have to compete with fourteen other member states that will have the right to come into our domestic market under the status of "equal treatment" and compete with local companies and individuals. On the upside our local private sector will also benefit from this large market and also have the opportunity to go to other member states in the Caribbean and set up businesses where ever it is most profitable.

The free movement of managerial, technical and supervisory staff will no longer be restricted. This implies that key people within our organizations may be inclined to leave, unless their salaries and benefits are competitive at the community level. It also means that it should also become easier to attract skilled labour from within the region to our businesses.

We should also remember that the rules of CARICOM are not "*cast in stone*". For example, Article 47 of the Treaty empowers governments to take measures to reintroduce restrictions, if it can be justified that there is serious threat of injury or actual injury, quantitative or otherwise. Safeguard mechanisms are enshrined in the Treaty for both fair and unfair competition.

A significant challenge facing the implementation of the CSME is in the area of education and information dissemination. Most Guyanese and CARICOM nationals seem to know little about CARICOM and often comment – "*what if anything it is doing for them?*" David Jessop in his weekly view from Europe commenting on this issue recently said, and I quote

*“.....CARICOM and governments in the region have to think carefully about their information strategy, most especially towards the region's youth. If tomorrow they feel marginalized from CARICOM and unaware of how it touches their lives, it suggests that the Caribbean establishment may have enormous difficulties in ever seeing their vision fulfilled” end of quote.*

Our private sector also has a role to play in this regard. We are challenged in getting our members to become aware of what CSME is all about and the benefits that could be derived from it. We recognize that providing information is of paramount importance – since this will give us a clearer understanding and greater appreciation of the benefits. To this end, we are diligently working in disseminating information with the help of the CARICOM Secretariat to rectify this situation.

Let us look at the big picture and realize that we can achieve more as an integrated body rather than as a segmented market. The Europeans has made tremendous progress with their system but also still have hurdles to overcome. We can do it. Our vision must remain in accordance with our objectives of an integrated body. It will not be an easy road but then nothing good comes easy.

I trust that at the end of this seminar, those who never had a clear understanding of the thrust behind the CSME will be enlightened. For those who are au fait with the issues surrounding the single market, I trust that meaningful discussions will be encouraged. Once again let me say that this opportunity to give opening remarks was most welcomed.

## **REMARKS BY H.E. AMBASSADOR HAVELOCK BREWSTER**

### **THE CARICOM SINGLE MARKET AND ECONOMY**

When we speak of a single market we mean a space within which goods and services, people, capital and technology freely circulate. It involves the complete removal of physical, technical and fiscal frontiers. A single economy goes further in that it requires unified economic and monetary policies, including related legislation, executive instruments and institutions.

The Revised Treaty of Chaguaramas (RTC) provides, in principle, for most aspects of a Single Market and Economy (SME), incorporating the original protocols, as enumerated by Minister Rohee in his address, adopted during the early 1990s on services and capital, industrial policy, trade policy, agricultural policy, transport policy, disadvantaged areas, competition policy, dumping and subsidies, dispute settlement.

In addition, certain aspects pertinent to the operation of a SME, separately adopted, are included in the RTC. They include macroeconomic policy convergence, fiscal policy harmonization, monetary convergence, monetary union/single currency, and the Caribbean Court of Justice. The Free Trade Regime and the Common External Tariff, also essential components of a SME, were already core features of the earlier common market. In other words then, the CARICOM Single Market and Economy (CSME) is an attempt to create out of the 15 member states a unified economy, as if they were in effect a single nation, at least in respect of matters economic.

This meeting will review the progress attained in implementing the CSME over the past 13 years or so, and what needs now to be done to bring it fully into operation, identifying those measures that must be adopted and put implemented by Guyana, both by the government and the private sector.

Let me begin by saying that I have the impression that whilst the basic enabling decisions have been made at the regional political level, including the setting of timelines and a considerable amount of preparatory activities, such as research and diagnostic studies, most aspects of the CSME have not actually gone into operation. I also have the impression that the public, and particularly the private sector, are not well informed of the present state of play and what needs to be done by national governments and by the private sector. That there is a perception by the private sector, by governments and the public at large that progress is intolerably slow—especially at a time when obligations have to be assumed under the FTAA, the new WTO round of MTNs, and the ACP-EU negotiations; and that as a result there is some mutual recrimination about who is to blame for this situation.

Hopefully, this meeting with the aid of the Community Secretariat (CCS) experts will help to clear up misunderstandings and point the parties involved in the right direction. In doing so, we need to identify the sticking points and bottlenecks and equally important, what measures and resources are needed to clear them.

Apart from whatever may be suggested by way of expediting legislative processes, technical assistance in legal drafting and negotiations and institutional capacity building and strengthening at the level of the CCS and the national governments, I should like to point, additionally, to a dimension of the problem that has so far been relatively neglected.

It is that the degree of political integration attained by CARICOM may be out of sync with the commitment to create a unified economy. Currently, the intention is to create such a unified economy with each member state retaining maximum national sovereignty. Any decision made by the Community organs, such as the Conference of Heads of Government, is subject to the legal procedures of consultation, parliamentary debate, ratification and entry-into-force requirements, prescribed in each of the 15 jurisdictions of the member states. This is a recipe for interminable delays, if not frustration in the end. We seem to be witnessing this now in a number of fields, such as competition policy, intellectual property rights, company law, financial legislation, customs law, free movement of services, capital and persons. Moreover, it is becoming increasingly apparent that some of the potentially more productive areas of economic integration, such as sectoral policy, macroeconomic coordination, fiscal harmonization and monetary integration simply cannot proceed in an environment in which each of the 15 states retains full national sovereignty.

Another illustration of the disconnection created by the commitment to a SME concerns the number of new Community institutions that must be established. These include, apart from the CCJ, a standards organization, a fisheries organization, a competition commission, a conciliation commission, an intellectual property rights office, a regional development fund, among others. In the absence of an independent source of income that itself would necessitate some departure from full national sovereignty, the establishment of all these institutions would require annual national appropriations by the parliaments of each of the 15 member states. Experience does not inspire confidence that governments will be prepared to fund all these institutions adequately and reliably, especially in an environment that is already financially distressed over commitments to the existing regional institutions.

On the brighter side, the heads of government now seem to have a better appreciation of the need for closer harmonization between economic and political integration, that these two processes are not completely separate and distinct. At their last conference (July 2003) they adopted the Rose Hall Declaration on Regional Governance which included commitments both to Community decision-making that has the force of law in all member states, and to automaticity of resource transfers for funding the Community institutions. That is a promising and courageous development, and it remains to be seen when and how it will be put into operation.

**FEATURE ADDRESS BY HIS EXCELLENCY, MR. SAMUEL A. A. HINDS,  
ACTING PRESIDENT OF THE COOPERATIVE REPUBLIC OF GUYANA**

**SALUTATIONS**

Ministers representing Ministries of the Government of Guyana,  
Members of the Business Community,  
Representative of Workers Organisations,  
Other Non Governmental Organisations,  
Ladies and gentlemen,  
Welcome:

**THE BASIC RATIONALE**

Nations and peoples advance and progress even when circumstances confront them that appear to be insurmountable, if, they can recognize, and, more importantly seize opportunities which are present and if they muster the collective will necessary to overcome threats and surmount obstacles which stand in the way of progress.

Today people in small countries such as the people of the Caribbean Community are confronted with situations both at home and in the wider world environment which threaten to frustrate our economic development and which call for a special type of collective resolve to chart the way through a changing and turbulent world economy .We cannot set ourselves apart from the global economic and trading system even though we are in a tremendously disadvantageous position compared to some of its dominant and strongest players with whom we must do business.

Guyana has joined forces with other small states in the Caribbean in an attempt to answer the challenges presented by today's world economy recognizing as we have done several decades ago that to go it alone does not seem to be an option at all.

An economically stronger and more unified Caribbean Community is a necessary platform which we must build and which we must use in facing and engaging a rapidly changing global economic and trading system. As you are well aware Guyana and its sister CARICOM member states have to trade and engage economically in a world system that is dominated by some very large economies and super large corporations which together are the centers of concentrations of vast wealth and form a magnet pole from which and to which capital, investment, production and distribution of goods and services flow. As individual small states we are swept along in the outer slip stream of the economic currents which reverberate from these poles of economic power. We face the real danger of being swept further and farther into the outer fringes of this economic slip stream if we do not adapt and deploy strategies which will be effective not only in ensuring that we remain relevant but also ensuring that we share in the prosperity and vast economic fortune which is being generated in today's world economy.

Our challenge is basically twofold. On the one hand we must preserve our identity, work to maintain stability in our countries and deploy strategies which protect and promote our economic interest and well being, and, we must also identify and exploit those opportunities which will result in economic growth and expansion at a pace that increase the individual and collective prosperity of our peoples. We must do this while on the other hand we integrate into the very world economy which contain the factors and forces which threaten our very survival.

Engagement in the world economy requires resources both to fend off the threats and to exploit opportunities and small states lack the repatuore of resources to do both effectively. The tried and tested maxim of united we stand divided we fall holds true and CARICOM as an integration movement has proven this over and over again.

We found ourselves in a situation at the beginning of and throughout the 1990's where we were engaged simultaneously in multiple layers of trade negotiations arising from the momentum towards liberalization, which has flowed from the Uruguay Round. We are involved in the ongoing World Trade Organisation (WTO) negotiations, in the Free Trade Area of the Americas (FTAA), in reforming the Lomè Convention and in Caribbean Basin trade cooperation through the Association of Caribbean States (ACS) and a series of bilateral cooperation schemes with Columbia, Venezuela, Cuba, The Dominican Republic and Costa Rica. How is Guyana expected to cope with such a complex of engagements given our present economic condition and resources?

Part of the solution was provided by our membership in CARICOM. The heads of government created a Prime Ministerial Sub-Committee to focus on the problem of external negotiations. They are ably supported by the CARICOM ministers who are responsible for Trade and Foreign Affairs and by the Regional Negotiating Machinery. This is a clear example of how small countries can participate in a world economy where the challenges are disproportionately greater than their size and resource endowments. While we in CARICOM have not always got what we wanted our contributions in the international arena and our strenuous efforts in defending our interests have not only bourne fruit but has not gone unnoticed. Our leadership in the Lomè negotiations and in creating the ACS, the key position we hold in several FTAA negotiating areas and recent meetings with the Director General of the WTO and our role in CANCUN signal that we would not be left in the sidelines and that collectively we have the capacity to champion our cause and protect our economic interests.

While we engage the rest of the world to secure markets, opportunities for exports and arrangement which will increase the flow of investments into our economies we are working to create a larger economy at home to create opportunities for our local business and employment and higher income and standards of living for all Caribbean peoples. Our collective action abroad is a direct extension of our collective action within CARICOM, to create a more integrated regional economy and together these constitute two key parts of CARICOM's global development strategy. We have as a country supported and actively participated in promoting deeper Caribbean regional integration as one of the strategic responses to the threats of the processes of globalisation and

trade liberalization and the CARICOM Single Market and Economy (CSME) is the centerpiece of this strategy today. So where are we on this journey to create the CSME? I have heard many doubters and naysayers criticize the pace of regional integration generally and the pace of creating the CSME in particular. The fact of the matter is that such a complex enterprise has to be built progressively given our resources. The CSME is a work-in-progress. It is not an event and cannot be created by a single action. It involves a process of improving the system of decision making and community governance; it requires fundamental reform of the laws, regulations and administrative practices of each of our countries to guarantee rights and market access which we have undertaken in the Treaty in relation to, free movement of goods, services, capital, people and the right of establishment; it necessitates the creation of new institutions such as the Caribbean Court of Justice (CCJ), The Caribbean Regional Organisation for Standards and Quality (CROSQ), a community commission to regulate competition, institutions for accreditation, for enforcing rules of trade relating to antidumping, phytosanitary practices and subsidization; it involves creating structures for coordinating monetary, fiscal and exchange rate policies and other macroeconomic measures which provide the overall environment within which business will be conducted and it involves a continuous process of policy evaluation and change to adapt to changing trade and market conditions. What have we achieved?

## **IMPLEMENTATION OF THE CSME**

Progress has been made in respect of action taken by member states and the Community towards implementation of many of the components of the CSME. While progress has been made I will be the first to admit that there are still important tasks to be accomplished. Let me therefore deal first with what we have done. I need to spend time on this so that you will have a precise understanding of how much has been achieved.

### **Legal and Institutional Framework including the Treaty Establishing the Caribbean Community:**

The Treaty has been revised, there is however a built in agenda for a set of disciplines which are yet to be negotiated. These areas are electronic commerce, government procurement, treatment of goods produced in free zones and similar jurisdictions, free circulation of goods in the CSME and rights contingent on establishment, provision of services and movement of capital in the community. The basic research to clarify the policy that would inform the way towards negotiating Treaty commitments in these areas has commenced and it is anticipated that these will be pursued during the next twenty four months.

All member states except the Bahamas and Montserrat have signed the revised Treaty and declared Provisional Application pending ratification. We are all working on the legislative steps for ratification and enactment into domestic law.

Chapter 2 of the Treaty on “Institutional Arrangements” is significant with respect to decision making and Community administration. With the exception of the full implementation of Article 26: (The Consultative Process), the institutional arrangements under Chapter 2 have been implemented and are functioning. The scheme and process for consultations are set out in the Treaty and CARICOM Secretariat has created a Manual of Procedures for implementing the CSME under which we have been working to establish the Inter Ministerial Consultative Committee and the Business and Labour Advisory Council (BLAC).

**Administrative Procedures Reforms:** The Manual of Administrative Procedures is designed specifically for civil servants and statutory bodies with identifiable functions deriving from member states obligations and commitments; the rules and disciplines, and, the rights of nationals of the Community under the Treaty.

**Reform is under way within the Community Secretariat.**

A specialised CSME unit designed to accelerate implementation has been established in Barbados and gives support to a Prime Ministerial Sub-Committee on the CSME which was specifically established by the Conference of Heads of Government to maintain focus on the CSME. The reform of institutions and Community administration must continue in step with what is needed to operate an efficient CSME. I as your representative at the Heads of Government have already made representation on the issue of reform of CARICOM institution and I maintain that we must engage in a wider process of institutional review and reform to ensure that we retain no unnecessary institutional baggage from the old CARICOM; retaining only those which are essential and redeploying resources into those which we need for the emerging CSME. You are all aware of the initiative by my Government in establishing a new building for the CARICOM Secretariat.

**With respect to dispute settlement and other institutions the following developments are important:**

***Caribbean Court of Justice (CCJ)***

The agreement establishing the CCJ has been signed by all member states except The Bahamas and Montserrat. The agreement requires the deposit of instruments of ratification by three member states for entry into force and to date six member states Barbados, Belize, Guyana, St. Lucia, Suriname and Trinidad and Tobago have ratified the Agreement. This brings the agreement into effect. All of the other legislative instruments required to implement the agreement and the formal establishment and functioning of the Court have been developed and member states are actively taking the steps to complete legislative enactments. Trinidad and Tobago will be the seat of the Court and the facility to house the Court has been identified by the government of Trinidad and Tobago.

A Trust Fund is being established with an endowment of US\$100 million to secure the integrity, independence, sustainability and delivery of quality justice by the Court. The Court is expected to be fully operational during early 2004.

### ***CARICOM Regional Organisation for Standards and Quality (CROSQ)***

With the exception of Montserrat, all member states have signed the Inter-Governmental Agreement establishing CROSQ and have agreed to the Provisional Application of the Agreement among themselves pending entry into force. The Secretariat for CROSQ has been established in the headquarters state of Barbados and is functional.

### ***Community Competition Commission and National Authorities***

The CARICOM Secretariat has developed a competition law which paves the way once implemented in all member states for the establishment and full operation of Community Competition Commission as an autonomous institution of the Community with quasi-judicial powers as provided for in Chapter Eight of the Treaty. Member states are required to establish or identify a national Competition Authority. The Secretariat is working towards completing the arrangement for the Commission by December 2005.

### ***Implementing Laws and Regulations***

Legislative reform to usher in the CSME is a major undertaking. The largest block of reforms to be undertaken falls under Chapter III of the Treaty relating to, establishment, services, skills and capital. This work has not begun.

The second is a schedule of laws, which are specified in Chapter Four of the Treaty under Article 74: Legal Infrastructure. Harmonisation of legislation is a crucial task to be accomplished in the establishment of the CSME. The Treaty recognises the Legal Affairs Committee as the competent body of the Community to lead this process. A Drafting Facility funded by the USAID has been established and has begun the task preparing model bills and regulations.

With respect to harmonisation of laws and facilitation of implementation some of these named laws under Article 74 model legislation have developed in a number of areas including companies, competition policy, consumer protection, anti-dumping and countervailing measures, customs laws and regulations. We need to accelerate the pace of legislative reform including such areas as harmonization of company law, intellectual property so as to create a coherent regulatory framework for the CSME.

### ***National Treatment and Market Access***

Progress relating to implementation of national treatment rights and market access commitments, obligations and instruments is most advanced in respect of goods but a

solid foundation for rapid advances in respect of services, capital and skills and the free exercise of the right to establish commercial presence has also been laid.

### ***Free Movement of Goods***

The institutional requirements and, the laws and regulations and administrative procedures for the CSME regime for goods are almost entirely in place. The major outstanding are the legal framework and infrastructure relating to, establishment of presence, free circulation of goods, trade involving free zones and similar jurisdictions, and procurement of goods by governments.

Removal of restrictions on trade in goods has been achieved. However a recent study undertaken by the Secretariat indicates that some non-tariff restrictions remain; particularly para-tariffs, customs fees and charges and in some cases unauthorised licences, monopolies and technical regulations are being utilised as barriers. We must do everything in our power to remove the remaining restrictions before December 2005

### ***Free Movement of Services, Capital and Right of Establishment***

The single markets for services and capital and the arrangements for the free exercise of the Right of Establishment is in the process of implementation. The research to identify in each member state those restricting measures against free movement of services, capital and establishment revealed more than 400 different types of restrictions of which 140 is required to be removed by 31 December this year. All three areas have been integrated under a single programme which was established by the conference of Heads of Government at its thirteenth Inter-Sessional meeting in February 2002.

The programmes took effect from 1 March 2002 with a schedule and timetable for removal of restrictions spanning the short term (up to 31 December 2003), medium term (up to 31 December 2004) and long term (up to 31 December 2005). The effect of this is to expand the single market progressively through the national treatment/market access mechanisms in respect of services, capital and right of establishment in areas affected by existing restrictions. With the exception of the areas reflected in the programmes approved by the conference of Heads of Government where specific restrictions are to be removed by 2005 the single markets for services, capital and the right to establish commercial presence has taken effect from 1 March 2002. Member states must as of that date permit services, the right of establishment and the movement of capital where no restrictions are listed in their respective national schedules under the programme. More particularly increasing benefits will flow to the categories of persons eligible to move freely including, temporary service providers, self-employed service providers and entrepreneurs, technical, managerial and supervisory personnel of entities establishing presence and spouses and immediate dependent family members. The establishment of the programmes by the conference at its thirteenth Inter-Sessional meeting in February 2002, signalled fundamental advance towards the establishment of the CSME.

Full implementation of the programmes would allow for Community nationals to undertake economic activities in any jurisdiction without restrictions and under basically the same rules throughout the CSME, CIDA provided resources under a Trade Facilitation Project to assist with the task of specifying the precise nature of legal and administrative reform which must take place to achieve implementation of the programmes.

### ***Capital Market Integration***

National Stock Exchanges are established in Barbados, Jamaica, Trinidad and Tobago and the Organisation of Eastern Caribbean States (OECS) (as a group) and most recently in Guyana. Cross-listing and trading takes place only among Barbados, Jamaica and Trinidad and Tobago which are the Members comprising the Regional Stock Market. The Council for Finance and Planning is actively supervising a programme supporting establishment of exchanges in other jurisdictions and their integration. We must clearly work towards integrating all of these exchanges electronically so that Guyanese investors can take advantage of investment opportunities in other parts of the CSME.

### ***Free Movement of Persons***

The policy and regime for free movement of persons is divided into Free Movement of Skilled Community Nationals and Facilitation of Travel.

#### **Movement of Skilled Community Nationals:**

Except for Montserrat, member states have enacted legislation to give effect to the free movement of skilled Community nationals essentially university graduates and at the last Heads meeting in July we agreed that all these actions must be completed by the end of this year. Some member states are required to follow up with other specialised occupations namely, musicians, artistes, sports persons and media workers. Member states still need to take the necessary action to implement regulations.

**Facilitation of Travel:** With respect to travel, work is ongoing at the Regional level with respect to the outstanding issues regarding the CARICOM passport, the use of an electronically readable Identification (ID) Card for intra-regional travel and a common E/D form.

**Accreditation:** A Regional Accreditation Body to oversee accreditation and equivalency of certificates and qualifications is almost ready. The Regional Agreement for this body was drawn up by the Secretariat. . At the national level member states are at different stages of developing their national bodies. Model legislation, institutional designs and technical assistance in the form of training and institutional building are being provided to member states to facilitate completion of national responsibilities.

**Social Security:** The CARICOM Agreement on Transference of Social Security Benefits is in force. All member states have signed and ratified the agreement. Enabling legislation was done in all states and similarly the relevant institutional and administrative reforms. I am advised by the CARICOM Secretariat that benefits under the agreement are already being distributed to eligible persons.

We call on all CARICOM states to act expeditiously to complete these measures relating to free movement so that no one is denied the benefits intended and so that the rank and file of our Community can feel the real impact of the CSME.

## **MACRO ECONOMIC AND SECTORAL POLICY COORDINATION**

### ***Macro Economic Policies***

Several courses of action are in progress. Ministers of Finance have worked out a macroeconomic convergence programme which focus on the achievement by member state of an effective level of macroeconomic performance as measured by certain macro economic fundamental indicators you would have noticed that the Heads is currently engaged in the creation of a Stabilisation Fund. Action has also been taken to build a comprehensive framework fiscal policy and a tax harmonisation framework and implementing programme. An Intra-Regional Agreement for the Avoidance of Double Taxation is operational throughout the CSME.

### ***Investment Policy:***

Our Ministers of Finance has completed important work on best practice investment policies for CARICOM and the outlines of a CARICOM Investment Code .We must accelerate this work and complete the arrangements for these instruments to take effect. In the meantime investors can access capital from the Caribbean Development Bank, from the Caribbean Investment Fund, which we have enacted into law

### ***Exchange Rate Policy:***

Cooperation in the area of exchange rate policy has two components, currency convertibility and exchange rate stability. There are seven different domestic currencies in the CSME, namely the Eastern Caribbean Dollar, Belize Dollar and Barbados Dollar all managed using the fixed exchange rate system and the Jamaican, Dollar, Trinidad and Tobago Dollar, Guyana Dollar and Surinamese Guilder all managed using the floating rate system. For reasons given earlier the Haitian Franc and Bahamian Dollar are not addressed in this report.

The policy on convertibility of currency has been implemented. Trading is proceeding although commercial risk factors have limited trading in the unstable floating currencies particularly the Guyanese Dollar, Jamaican Dollar and the Surinamese Guilder. Exchange rate stability to maintain the value of the respective currencies is a strategy

seen as a necessary precursor to Monetary Integration. The Council for Finance and Planning has established non-binding performance standards for member states regarding currency stability but execution is completely under the jurisdiction of the respective member state except again in the case of the OECS.

### ***Sectoral Policy Coordination***

Coordination of policies and programmes for services which are provided and traded commercially (including air and maritime and tourism) industry, agriculture, fisheries, forestry, environmental protection, and supporting areas such as research and development fall under the authority of the Council For Trade and Economic Development. Human services provided by central government essentially on a non-commercial basis as public goods such as, health, education and human resources development, labour relations, gender, youth and sports are under the authority of the Council For Human and Social Development. The two councils are active in all of these areas. They meet at least once per year and take policy decisions and sanction various programmes in support of the policy directives.

I have taken an active interest in certain essential areas of the real sector development. Three of these are already on the regional agenda namely common energy policy, common fisheries policy and a common agricultural policy.

### ***Public Education and Awareness***

Increased stakeholder awareness and participation in the CSME in Guyana and the wider CARICOM family has been proceeding with difficulty. Public education consists of Community and national programmes. Member governments have assumed some responsibility for the promotion of the CSME and the government information services are being used as a key vehicle to communicate developments on the CSME. The Community programmes consist of a wide range of strategies involving, research of stakeholder needs and interests, publication and distribution of printed material on the CSME, use of the internet generally and the CARICOM website in particular, the use of print and electronic media and field visits to Member States. This meeting is one example of Guyana's own efforts in informing and educating the Guyanese people about the CSME, its challenges and how to take advantage of its opportunities. My administration will continue providing information and will expand on this launching to make sure that all Guyana is CSME ready by 2005.

## **THE WAY FORWARD**

The CARICOM Single Market and Economy continues to be the flagship of the Caribbean Community. It is a vehicle for advancing the national economic and social interests of the member states and for providing the legal framework, the economic policies and other favourable conditions within which the resources of each geographical part can be combined so that they could be most efficiently utilised within

a single economic space. The goods and services produced under these conditions will compete more effectively in both intra-regional and extra-regional markets and the CSME will thereby enable the Community to integrate effectively and competitively with the rest of the global economy.

The conference has in effect set the agenda for the completion of the process for establishment of the CSME at 31 December 2005. The platform having been created now requires a major push to achieve the targets and deadlines. The Treaty in Article 78 paragraph 2 provides an appropriate description of where we should be by 2005 and that is (quote) "... the full integration of the national markets of all the member states of the Community into a single unified and open market area..." (End quote).

In summary this means: free movement of goods; the full freedom to establish one's business wherever it will be most profitable in the CSME; a fully liberalized market for services; the free movement of capital including an integrated regional stock exchange system for trading in securities electronically and the elimination of any outstanding exchange controls; the freedom to travel throughout CARICOM without any hassle, including the elimination of work permits and passports and using instead machine readable ID Cards; fully functional CCJ, CROSOQ, Competition Commission, and Regional Accreditation Body ; a coherent CARICOM investment framework including a best practice policy and investment code, the Stabilization Fund and such other instruments which will help the weaker member states to complete the transition to stable competitive economies.

The Guyanese population must begin the mental and practical process of treating and viewing the CSME as an extension of the domestic market of Guyana.

We must see the US 1 billion food import market of the CSME as our opportunity to supply fresh, chilled, frozen and processed agricultural products using our vast land mass and fresh waters; and extensive seafood supplies as the basis of our comparative advantage in agricultural and fisheries products.

We must view the home construction market as fifteen million people not 750,000 and we must produce building materials and furniture from our wood, sand and other natural materials available in this country in substantial quantities. CARICOM estimates that the intra regional market for goods is in the region of 3.4 billion Eastern Caribbean Dollars. We must export, trade and compete to get a sizeable slice of this market.

The services sectors will be opened by 2005 and some will even be opened earlier by 1 January 2004 .We have a special kind of tourism product eco-tourism, we must therefore invest in the accommodation facilities, transportation services, food and beverage, entertainment and other services related to tourism and market these aggressively throughout CARICOM to bring visitors here. And we must cooperate strategically with our sister CARICOM states with their sea and sun tourism to create tourism packages that attract tourists from all over the world.

My administration has launched over recent years a major drive to upgrade and modernize our education system. We need to continue reform in other areas such as curricula and training programmes throughout the education structure including the university so that we can produce the professional service providers and other skills required in the emerging services sectors. A fully liberalized services economy within CARICOM will present tremendous opportunities and we will do everything possible within the limit of resources to prepare the Guyanese people to compete in the services sectors.

**The road ahead is clear we must act now to ensure that we reap the benefits of our contribution in designing and establishing the CSME.**

I THANK YOU

**BASIC INSTRUMENTS, INSTITUTIONAL AND REGIONAL  
ARRANGEMENTS UNDER THE CARICOM SINGLE MARKET AND ECONOMY**  
By **IVOR CARRYL**  
**PROGRAMME MANAGER, CARICOM SINGLE MARKET AND ECONOMY**

**1. BACKGROUND**

The purpose of this paper is two fold. Firstly the provision of a general picture of the scope of the measures required to achieve the full integration of the economies of the member states of the Caribbean Community and secondly to identify and account for the basic instruments, institutional and regional arrangements under the CSME. These measures have significance for both the internal arrangements for the CSME as well as the interface between the CSME and the rest of the world. The discussion is essentially about the architecture of the Community and instruments created to establish and operate it.

Pursuant to a decision in 1989 to implement a range of outstanding matters relating to the Common Market, the Conference of Heads of Government of the Caribbean Community (CARICOM) appointed the West Indian Commission (WIC) to study the experience of regional integration in the Caribbean Community and advise on the future of the regional integration programme. The West Indian Commission report of 1992 made significant recommendations regarding the future of CARICOM in respect of a three pronged strategy namely; the judicious insertion the member states of the Caribbean Community into the global economic system, widening of the Caribbean Community and the deepening of the Regional Integration Movement.

***The insertion of the Caribbean Community into the global economy*** was identified as an essential part of the strategy for the survival and prosperity of the small states of the English speaking Caribbean in light of the membership of these states to the GATT, their participation in the Uruguay Round of multilateral trade negotiations, their membership of the WTO since its establishment in 1995 and more particularly the ongoing negotiations which seek to complete the WTO built in agenda under which further significant liberalization of international trading system in goods and services, intellectual property investment , competition etc is in progress .It also responded to the wave of integration initiatives which threatened to exclude small states from the center of the emerging and perspective future global systems of production and distribution, trade and finance. Their effective involvement in the negotiation of the Free Trade Area of the Americas and the pressures for reform of preferential schemes created by the new rules of the WTO is an important ongoing influence. Finally the emergence of the WTO created pressure for changes in the LOME CONVENTION involving CARICOM states and this has led to the COTONOU Agreement.

## **2. THE WIDENING OF CARICOM**

The essence of the strategy in respect of the widening of CARICOM is to enlarge the market thus bringing more consumers into the immediate market area of the business community, faster economic and trade expansion and as a consequence of these processes, greater opportunity for investment and the creation of more numerous and higher paying jobs. The following are the key elements;

(I) The integration of Suriname and Haiti (the addition of more than 8 million consumers). Since The Bahamas remains outside the Single Market and Economy the possible future integration of the Bahamas into the CSME could be added as a legitimate challenge.

(II) A second dimension of the widening is increased market access through bilateral agreements with Columbia, Cuba, Dominican Republic and Venezuela and Costa Rica. The exploitation of the benefits of these bilateral agreements requires implementation of the provisions of Article 85 relating to export promotion, the redesign and refinancing of Caribbean export, and the implementation of a proactive programme of export diversification.

(iii) A third dimension of the widening involves the creation of the Association of Caribbean States. This entity functions at varying levels of effectiveness.

## **3. THE DEEPENING OF THE REGIONAL INTEGRATION MOVEMENT**

The creation of a Single Market and Economy was the most significant of the West Indian Commission recommendations and it gives expression to the concept of deepening the integration movement beyond the provisions of the 1973 Treaty of Chaguaramas

In October 1992 the Conference, at a special meeting adopted the policy elements and programme to establish and make the CSME operational. In substance the programme sets out five main steps to create the CSME. These steps are: revision of the Treaty of Chaguaramas to incorporate all the policies to achieve deepening of the integration process through migration from the Common Market to the Single Market and Economy, the identification and removal of restrictions to the creation of the CSME, the preparation of selected essential legislation which must be harmonised throughout the CSME, the creation of new institutions and upgrading of administrative capacity in the civil service and statutory organizations and closer co-ordination/harmonisation of macro-economic, sectoral and external trade policies. The instruments to both establish and operate the CSME are identified or explained under each of the five main components of the CSME.

### **3.1.1 Revision of the Treaty Establishing the Caribbean Community creating the Legal regime for the CSME.**

For the purpose of revising the Treaty the Conference established an Inter-Governmental Task Force to negotiate the revision of the Treaty by way of nine protocols and the integration of these Protocols into a single undertaking (a New Treaty). The Treaty as amended by the protocols, provides the framework of obligations, rights and privileges, rules and disciplines under which the contracting parties to the Treaty will cooperate. This will ensure, within a seamless and unified market, macro economic stability through the convergence of economic policy and stability of expectations. The rights and obligations, rules and disciplines applying to member states of CARICOM are in respect of:

- (i) The institutions relating to governance, regulation of business activity, dispute settlement and administration of community affairs
- (ii) Free Movement of Goods
- (iii) The Right of Establishment
- (iv) Free Movement of Services
- (v) Free Movement of Capital
- (vi) Free Movement of Persons
- (vii) The Harmonisation of Legislation
- (viii) Closer Co-ordination / Harmonisation of Macro Economic and Sectoral Policies
- (ix) Monetary Integration
- (x) Capital Market Integration
- (xi) Common External Trade Policy

In 2000 a special consultation on the Single Market and Economy was convened in Barbados. The consultation examined certain issues which impacted on the internal dynamic of the CSME and which have a bearing on CARICOM's effective participation in bilateral, hemispheric and multilateral trade and economic negotiations namely; government procurement, electronic commerce trade involving free zones and similar jurisdictions, free circulation, and rights contingent on the Right of Establishment Provision of Services and Free Movement of Capital. An important conclusion of that meeting was that it was necessary bring the new areas under the disciplines of the Treaty.

### **3.1.2 Institutions and arrangements relating to Governance, Decision Making and Administration of Community Affairs**

The Community and the Common Market are no longer separate international juridical personalities. The Single Market and Economy replaces the Common Market and is now an integral part of the Community. Politically, CARICOM remains an Association of Sovereign States. The effects of this are; unanimity in the conference while the national legislature retains the sovereign competence to enact laws for the citizens of each

member state. The power to allocate resources is retained by the CABINET, competent ministers and other bodies and the Parliament of each member state. Jurisdiction for policymaking and rule making is therefore with the Community while enactment of legislation and implementation is within the jurisdiction of member states.

The institutional arrangements provides for new voting arrangements, improved decision making and the strengthening of governance capacity. Article 27 sets out the Common Voting Procedures in the Community Organs and Bodies, under which each member state has one vote and a simple majority constitutes a quorum. The voting arrangements provide for exclusion from voting in certain circumstances in the case of those member states who do not pay their contributions to the Community. It also provides for decision making on procedural questions, and for nonbinding decisions arising from recommendations of Community Organs. Articles 28 and 29 provide for voting in the Conference and Ministerial Councils respectively. The voting arrangements in the Conference provide for unanimity; and, for abstentions and omissions, neither of which could invalidate a decision of the Conference. In the Ministerial Councils binding decisions are to be made by a qualified majority vote; meaning, an affirmative vote taken by no less than three quarters of the membership of the Community.

The institutional structures as currently designed include;

**(a) Political / Policy Making Bodies** namely:

- The Organs of the Community,
- Two Prime Ministerial Sub-Committees, and
- The Bureau of Heads of Government

**(b) Consultative Political Structures such as;**

- The Quasi Cabinet
- The Assembly of Parliamentarians

**(c) Technical Bodies;**

- Committee of Central Bank Governors and
- Legal Affairs Committee
- The Budget Committee

**(d) National Structures;**

- A political portfolio called Minister with Responsibility for CARICOM Affairs
- National institutions responding to the requirement to discharge the various obligations of member states and
- National Consultative System /Process

**(e) Administrative Organ;**

- The Caribbean Community Secretariat

### **3.1.2 .1 Institutions and Associate Institutions of the Community.**

The list of institutions such as the Caribbean Center for Development Administration and associate institutions such as the Caribbean Development Bank are named in Articles 21 and 22 respectively of the revised treaty.

This entire institutional apparatus and related arrangements are in place and functioning although admittedly at varying levels of effectiveness. However further innovations of the institutional design of the Community are under consideration. All proposals seek to solve the problem of coherence and speed of implementation. The search for more effective structures for governance have the fundamental objective of solving the problem of implementation. Three proposals are, the creation of an Executive Commission, styled after the European Commission; the creation of a Community Parliament, possibly by building on the Assembly of Caribbean Community Parliamentarians, increasing their powers from a consultative to a legislative assembly with jurisdiction restricted at least in the beginning to laws and regulations exclusively concerning the CSME; and, the amendment of the Treaty to increase the powers of the Conference so that some of its decisions can become law automatically.

#### ***3.1.2.2 The creation of new institutions and upgrading of administrative capacity in the civil service and statutory organizations***

#### **Dispute Settlement, Regulatory Bodies and the Civil Service**

The framework to enable effective functioning of the CSME also include institutions for the investigation of trade disputes and the prosecution of such issues under the regime for the settlement of disputes. The modes of dispute settlement under Chapter Nine are still to be implemented with the exception of judicial settlement under which the Caribbean Court of Justice (CCJ) is being established with original and exclusive jurisdiction in respect of the interpretation and application of the Treaty .The pivotal new institutions are:

- The Caribbean Court of Justice
- The Community Competition Commission
- The Caribbean Regional Organization For Standards and Quality
- The Regional Accreditation Body

With respect to restrictive business practices a Regional Competition Commission will be established with the responsibility for investigating restrictive business practices, making determinations and seeking judicial enforcement of its decisions. National Competition Commissions will also be established and will work in conjunction with the Regional Commission in the administration of the Fair Competition rules and regulations. Article 169 (5) require member states to notify the COTED of existing legislation, agreements and administrative practices which are inconsistent with the

provisions relating to the rules of competition; while Article 177 set out the prohibitions against agreements, decisions among enterprises which are anti competition and against the abuse of a dominant position.

The Caribbean Regional Organisation for Standards and Quality (CROSQ) is now operational with its base of operations in Barbados. Work is still in progress towards the establishment of the Regional Accreditation Body

The Caribbean Agricultural Health and Food Safety Agency to treat with sanitary and phytosanitary issues has been approved for establishment by the COTED although its scale and scope and method of financing remains in issue

Finally the capacity of the civil service and statutory bodies which provide services to business, employed persons and consumers needs to be developed and strengthened to meet the requirements of operating and administering an efficient Single Market and Economy. A manual of administrative procedures for the CSME was developed and is in the process of implementation by member states.

### **3.2 INSTRUMENTS AND OTHER REGIONAL ARRANGEMENTS OF THE CSME**

The instruments of the Community are divided between those which seek to regulate the actions and conduct of the state as a contracting party and those which regulate the actions and conduct of private parties on the one hand, and; those which seek to facilitate and support the activities of stakeholders who attempt to participate and utilize its provisions on the other. Instruments created by the Community are not within the purview of member states to interfere with such instruments without the authorization of the Community.

#### ***3.2.1 The Removal of Restrictions to the Creation of the CSME.***

The revised Treaty under Chapters Three, Four, Five, Six, Seven and Eight set out in detail the measures and instruments to achieve and maintain the following;

- Free Movement of Goods
- The Right of Establishment
- Free Movement of Services
- Free Movement of Capital
- Free Movement of Persons

The full liberalisation of trade in goods and services, free establishment of commercial presence and the free movement of capital and people are critical to the operation of the CSME.

**The removal of restrictions involves several steps. Including;**

- (I) Identification of restrictions

- (ii) Notification of restrictions by member states and the submission of offers for removal of existing restrictions
- (iii) Negotiation of the timetable for the removal of restrictions
- (iii) Implementation of the agreed schedules for removal of restrictions by way of, repeal of legislation, amendment of restrictive elements of existing legislation, drafting of new legislation and regulations and establishment of institutional capacity for enforcement and for administration.

This programme to achieve liberalisation has been executed and the elimination of restrictions is scheduled to be fully completed by 31 December 2005. Key Community instruments in the area of goods include the Common External Tariff and the Community Rules of Origin. Others of significance relate to quantity restrictions, internal taxes and charges, freedom of transit, antidumping, domestic support for agriculture, anti dumping and countervail.

### **3.2.1.1 Safeguards**

The Treaty contains three basic safeguards which constitute important instruments which a member state may invoke in the event that, a domestic industry, sector, or the economy as a whole encounters serious difficulty as a result of the operation of the CSME. These are,

- (a) Imposition of Restrictions to improve the Balance of Payments
- (b) Imposition of Restrictions to resolve difficulties or hardships arising from the exercise of rights
- (c) Imposition of restrictions to resolve difficulties occasioned by particular imports

It is not intended that restrictions introduced under these safeguards are to be introduced without the approval of the Community. That is to say there has to be reasonable grounds, or cause; there should be evidence amounting to justification for their necessity; the state should notify the Secretariat of its intention to introduce the measures and the COTED/COFAP is empowered to review the scope and duration of the proposed measures.

Procedurally a company or person will normally be the entity, which would trigger a safeguard in cases other than those requiring the Balance of Payments safeguard. It is the company or natural person who would perceive a threat or would sustain injury as a result of competition. The Company or person would file a complaint to an appropriate national authority providing relevant evidence/ justification supporting a request to invoke the relevant safeguard. The competent authority would assess the evidence, determine the appropriate course(s) of action and notify the Community of the action intended. Follow up representation will be necessary through consultations with the Secretariat, Member States likely to be affected and the COTED/CPFAP as the case may require.

### **3.2.2 Harmonised, selected, legislation throughout the CSME as provided in Chapter Four:**

Predictability and legal certainty which the Treaty itself seeks to provide is important to protect the interests of investors, traders, self employed persons, wage earners and consumers in the course of operation of the CSME in general and in the exercise of their rights in particular. Several legal instruments have been created to support integration under the Treaty. Key among these instruments is intergovernmental agreements, establishing the CCJ, for Avoidance of Double Taxation, for Transference of Social Security Benefits, for Regional Accreditation, creating the Caribbean Investment Fund.

The development of a coherent legal regime and the sustaining of a uniform legal environment within the CSME will require the drafting of various new legislation for enactment in the member states. In order to provide support to member states to achieve this harmony in a reasonable period of time the Community has proposed the drafting of model laws. In particular, legislative enactments are required in the areas of:

Restrictive Business Practices (competition), Consumer Protection, Banking and Securities, Customs, Companies and other Legal Entities, Standards and Technical Regulations, Sanitary and Phytosanitary; Labelling of Food and Drugs, Dumping and Subsidies, Intellectual Property Rights and Commercial Arbitration, Taxation (double taxation, corporate taxation), Movement of Persons and Skills, and Social Security.

Although there is no policy to harmonise internal taxes and charges and other indirect taxes these are issues which need to be looked at if internal market consistency is to be achieved and sustained.

The activities to be undertaken to complete the work on development and implementation of model legislation include;

- (1) Policy studies and agreement on principles
- (ii) Drafting of the model bills
- (iii) Agreement on the drafts by Parliamentary Counsels and Legal Affairs Committee
- (iv) Enactment by National Legislature of member states

Essential to the orderly functioning of the CSME with respect to Trade in Services will be the development of a Legal Regime for Trade in Services. This regime consists of the rules under Chapter Three, domestic regulations and harmonised implementing law on Chapter III and of, institutional and administrative processes for the joint management and regulation by CARICOM of intra- and extra-regional Trade in Services. This framework will enable member states to discharge their respective obligations relating to Trade in Services and allow trade policy administrators, business

undertakings and consumers to operate in an orderly way in the market while facilitating legal action against member states in breach of their obligations under the treaty.

Subsidies to agricultural and non-agricultural producers and exporters are a potent instrument of trade policy and may be applied with great effect in facilitating export competition. Limits are imposed on domestic support to agriculture likely to enter into regional trade and export subsidies to non-agricultural products are prohibited. The Treaty requires withdrawal of unauthorised export subsidies Guyana and Haiti are the only two Member States who may maintain export subsidies to non-agricultural exports after January 2003. This is a right<sup>6</sup> retained under the WTO by developing countries whose per capita income is under US \$1,000. It also authorises use of countervailing duties in circumstances where exports benefit from prohibited subsidies or from subsidies which cause, injury, nullification, impairment. Serious prejudice or serious adverse effects.

The foregoing instruments which have been designed to restrain intervention by the State into markets within which non-nationals compete with nationals are reinforced by those which have been designed to prevent private parties from taking action or engaging in conduct in the market which injure or pose a serious threat of injury to competitors. Two of these are important.

First are the rules on competition, prohibiting, agreements between enterprises, decisions by association of enterprises and concerted practices by enterprises which have as their object or effect the prevention, restriction or distortion of competition or the abuse of a dominant position in any market within the Community .In these circumstances Member States are required to enforce domestic law to inhibit and penalise such conduct. Where the nature and effects of similar conduct is cross border the Community Competition Commission is empowered to intervene and remedy the conduct by, carrying out investigations, issuing cease and desist orders and or imposing penalties as appropriate.

Secondly the Treaty recognises that the practice of dumping while not illegal is actionable .An aggrieved party after establishing prima face the existence of dumping may introduce provisionally anti-dumping duties; and where it is definitively established that dumping has caused serious injury the margin of dumping can be calculated and the appropriate anti dumping duty imposed with the authorisation of the COTED.

### **3.2.3 Instruments to facilitate Stakeholders**

In addition to instruments designed to effect, the free movement of economic activity across borders and open competition, the Treaty contain a number of specialised instruments designed to facilitate the utilisation of the rights and freedoms referred to previously. In addition decisions taken by the organs of the Community will result in the creation of other instruments, which will deliver benefits to stakeholders throughout the Community.

An important instrument is provided under chapter seven relating to Disadvantaged Countries Regions and Sectors; that is Disadvantaged Fund. This fund will be accessible to member states who can show that either at the point of entry or as a result of the operation of the CSME negative outcomes have placed nationals of that state in a seriously disadvantageous position and that the fund must be accessed to provide relief.

A Caribbean Investment Fund was created to provide loan and equity financing to CARICOM enterprises. The establishment of the fund was achieved by intergovernmental agreement but its effective operation was achieved by enactment of the agreement into law in every CARICOM state.

#### **4. Closer Co-ordination/Harmonisation of Macro-Economic, Sectoral and External Trade Policies**

The Treaty requires in addition to the measures for the establishment of a Single Market, the coordination of macroeconomic and sectoral policies and external trade policies.

##### **4.1.1. Monetary Integration**

A key aspect of macroeconomic policy coordination is the promotion of monetary integration. The move towards a single currency however depends on the success of the market integration arrangements and the effectiveness of the macroeconomic convergence programme. An essential aspect of the arrangements for macroeconomic convergence is the need for long term macroeconomic stability of member states. Efforts are in train to develop a Stabilisation Fund and Article 158 of Chapter Seven call for the establishment of a Development Fund for the purpose of providing financial and technical assistance to disadvantaged countries, regions and sectors.

##### **4.1.2 Capital Market Integration**

Capital market integration is a key element of the supporting arrangements for the free movement of capital. The main thrust is integration of the stock exchanges of Barbados, Guyana, and Jamaica, Trinidad and Tobago and the OECS states and development of the financial infrastructure to support investment in the Community. In this regard note needs to be taken of the Caribbean Investment Fund which has already been established.

##### **4.1.3 A Common External Trade Policy**

The central feature of CARICOM's Common External Trade Policy is cooperation in the external negotiations currently under the WTO, FTAA, COTONOU and a number of bilateral agreements in the Caribbean Basin. A Prime Ministerial Sub-Committee of the Conference supported by the Regional Negotiating Machinery is spearheading this process. However under Article 80 of the Treaty special arrangements have been

established for the regulation of bilateral agreements made between a member state and third states. The rules include that such agreements should be subject to certification by the Community Secretariat before they enter into force and that where tariff concessions are involved the prior approval of the COTED is required. The Community operates a Common External Tariff and Rules of Origin, which distinguish treatment between Community origin goods and like third Country goods and require that member states refrain from applying quantity restrictions and only in conformity with international obligations when these are to be employed.

## **5. CONCLUDING NOTE**

The creation of the CSME is not an event but rather a process of strategic adjustments, designing and modifying a legal framework, maintaining a harmonious legal regime, eliminating restrictions, maintaining an effective system of settling commercial disputes, building institutions and administrative capacity and mobilising the stakeholders.

The pace of the process of implementation and the instruments employed are affected by international developments, the performance and condition of national economies, domestic political processes, and the capacity of the legislative machinery and civil service in member states and the availability of resources to take effective action. The Annex III to this narrative provides in some detail a menu of the instruments and institutional arrangements which have been devised to effect the creation and operation of the CSME. Notwithstanding the incompleteness of the CSME some benefits are already accessible such as those relating to trade in goods, movement of capital and movement of selected categories of skills. The challenge is to accelerate implementation thereby extending the range of benefits as soon as possible.

## **THE MEDIA'S ROLE IN PROMOTING CARICOM BY MR. DAVID DE CAIRES**

A couple of years ago at a Caribbean media conference in Antigua, I suggested to Oliver Clarke, Ken Gordon and Harold Hoyte, the Chairmen or CEO's of the Jamaica Gleaner, Trinidad Express and Barbados Nation respectively that there is much more needed to be done by the regional media to push the progress of CARICOM which I suggested was unacceptably slow. I proposed that a journalist suitably qualified to deal with such matters be appointed to cover in detail the many meetings of all the subsidiary CARICOM bodies which are held throughout the region on a regular basis as well as the heads of government meetings. I said that this was desirable to keep readers in touch with what was going on and the problems and difficulties encountered. It would also help to identify the laggards, those leaders or ministers who promised to do things and did not do them. The journalist would produce copy providing close coverage of each meeting which would be available to all the regional media.

The proposal was accepted and on my return to Guyana I entered into negotiations with Secretary General Edwin Carrington. I proposed that the salary and expenses of a suitable journalist selected by us be borne by the Secretariat. I explained what I saw as the potential advantages for the regional movement, namely giving much more extensive coverage than was at present the case of important regional meetings dealing with issues relating to the single market and economy, external relations and so on. Regrettably, I was subsequently informed that no funds were available for this project. It must be noted that in the European Union very large sums of money were initially allocated for educational purposes, that is to tell citizens throughout the union what was sought to be achieved and how it would affect their lives. The project was not pursued.

The people of our region have never been other than superficially involved in the entire enterprise of CARICOM. No team of leaders has toured the region explaining what is involved and the likely benefits and advantages. Indeed it was perhaps the West Indian Commission that went furthest in that respect, visiting each country and also West Indians overseas, inviting their testimony and their comments, engaging in dialogue. That is the kind of effort at popularising its significance that CARICOM has always so badly needed. It would give life to what has remained for most citizens an abstract project that has never touched their lives except perhaps negatively when they try to travel from one country to another.

The failure of CARICOM to progress faster can be attributed to many causes including the lack of real executive power in the secretariat (which would have been at least partly remedied by the creation of the CARICOM Commission recommended by the West Indian Commission, being an executive authority with competence to initiate proposals, update consensus, mobilise action and secure the expeditious implementation of CARICOM decisions) and the sluggishness and even opposition of the local bureaucracies, many of which were out of sympathy with or at least did not share the regional vision. But the political leaders over the years must take most of the blame.

Overwhelmed with the problems of their own mini-states and the trappings of office, they would often return from heads-of-government or other meetings without briefing the media adequately or reporting to parliament. The rhetoric of regionalism at these meetings became a ritual, the follow-up was usually negligible.

What can the media do about this? I have to say that the regional media are themselves parochial. How often is there a lead story or an editorial on a regional topic, except perhaps when there is a trade problem between countries? How many regional media lambasted the politicians editorially for failing to set up the CARICOM Commission or for not complying with a number of agreed deadlines? Have governments appointed ministers with special responsibility for CARICOM Affairs as recommended by the West Indian Commission? And do the ministers function? If not, have the media berated them for not doing so? Have the media assigned reporters with special responsibility to cover CARICOM affairs who are aware of the state of play?

The regional media organisations Caribbean News Agency and the Caribbean Broadcasting Union, now merged in the Caribbean Media Corporation, encountered severe problems of financing. The main regional newspapers now take regional news by arrangement from each other. There was a Caribbean Publishing and Broadcasting Association, several of whose meetings I attended in various regional capitals, and which had exposed me to the similarity of our interests and concerns. This is defunct. More recently, annual media conferences in various territories (there was one in Guyana in 2001) have been keeping media persons in touch, but only just. The two men who had done most to promote a spirit of regionalism in the media were Ken Gordon and Oliver Clarke. Ken Gordon was at one stage exploring the possibility of regional television news broadcasts using private stations in various countries but this did not materialise.

If the media are serious about pushing the single market and economy and promoting CARICOM they must do more than they are doing now. There is work to be done in every area from explaining the Protocols, to the work of the Caribbean Development Bank, to CARICOM trade, to the Caribbean Court of Justice, to intra-CARICOM tourism, to air and sea transportation in the region, to environmental issues (the conveyance of nuclear waste in the region), to education (the universities and the law schools), to culture, to sport, to external relations. There is so much work to be done. In truth there is no regional media vision, partly due to a lack of adequate contact and the absence of a shared dialogue. Even techniques like hard hitting common editorials on the same day on regional issues which can be very effective are not being used. The politicians and the bureaucrats have been getting away with murder due to the lack of a coordinated regional media response that exposes their repeated delays and failures to implement decisions.

In our own case, we have repeatedly addressed CARICOM issues editorially and I will take the opportunity to rehash briefly themes that have been dealt with in the editorial columns of Stabroek News on issues which I believe are vital to the future of CARICOM

and which partly explain why progress to a single market and economy has been so slow.

Perhaps because of the still bitter experience of the failed Federation of the West Indies, or perhaps because of the strong underlying insular and parochial attitudes that persist, the leaders of CARICOM have consistently refused to discuss seriously any form of political union, even one that falls short of federation. Mr. Manning has recently put another limited initiative on the agenda and it must be hoped this will not abort. As Dr Havelock Brewster has pointed out on more than one occasion, cultural identity is a crucial part of the West Indian reality. Without moving towards some overt political expression of this reality there is a danger that the single market and economy will be overtaken by other events.

Dr Brewster had proposed a Union of West Indian States, which would provide West Indian citizenship without prejudice to the sovereignty of the individual states.

It is absurd to ignore the political dimension, as the regional political leaders continually insist on doing, and to treat economic integration as essentially an exercise in functional co-operation. There has to be some rationale, some driving force to provide the energy to break the bottlenecks and provide the momentum that has so far been lacking. If the leaders have no broader vision there will be no future. There are those who argue that though there was a common history and culture there are significant variations, particularly in terms of recent historical experience, and that for example Jamaica's geopolitical situation and geographical distance would make this exercise nothing more than a genuflection to a failed idea. But surely the idea should have been fully discussed to see if some compromise could have been reached to create an ideology for integration.

Seen in this context, the admission of Haiti and Suriname as members was at least very badly timed. This makes any form of political union more difficult and thus more unlikely. Moreover, broadening was obviously going to make deepening more difficult, especially involving as it did other languages and systems. And what are the implications for the appellate jurisdiction of the Caribbean Court of Justice; how will the common law we have inherited and developed sit with these other systems? Participation in the Association of Caribbean States also puts a demand on scarce resources.

Guyanese for many years had a jaundiced view of CARICOM because of its failure to take on board the lack of electoral democracy in Guyana. That was seen as a fundamental compromise of its integrity, and the scars remain. Partly for that reason, perhaps, the post 1992 government made several mistakes, such as failing to back the candidacy of a CARICOM candidate for an international post. It is now more aware of the need for solidarity on some issues. There was disenchantment over the failure of CARICOM to condemn Surinamese aggression in the incident with the oil rig. It is true that there is nothing in the Treaty of Chaguaramas that covers an incident like that between two of its members, and of course Suriname was admitted without Guyana insisting on a resolution of the border dispute, surely a serious mistake.

The unanimity rule has been a crippling impediment, forcing the community to progress at the pace of the laggards. CARICOM interventions in Guyana and St Vincent were useful precedents in principle of a willingness to get involved in situations where there is internal unrest in member states though they led to the substantial shortening of the lives of two elected governments and in the former case there was inadequate follow up in the process initiated by the Herdmanston Accord. There is no CARICOM minister in Guyana, deputed to deal specifically with CARICOM related issues and to push its programmes, nor in several other territories. The progress towards free movement in the region has been painfully slow and Guyanese in particular have suffered from this. The Time for Action report of the Commission in 1992 had identified 1994 as the date for the single market and economy.

Dr Vaughan Lewis had noted in a symposium in 1997 that the European political directorate had ceded to the European Commission certain institutionalised rights of initiative that appeared to place the European Commissioners "almost on par with the heads of government as political actors and interveners in the political process." He contrasted this with the situation in CARICOM where the politicians retained complete control. As he said, "Nothing like *primus inter pares* must seem to be institutionalised between the political and the technocratic leadership of the region." He also noted that the majority of the presidents of the European Union had not just been technocrats "manning, implementing or executing institutions, but in one sense or another were what might be called 'men of politics', men who had at one time or other played in the political arena at relatively important levels." He referred to Roy Jenkins, Jacques Delors and others. The deliberate institutional weakening of the secretariat explains the refusal to accept and set up the Caribbean Commission recommended by the West Indian Commission.

The leaders do not want any body that can seriously challenge their sovereignty and the similar current proposal is also likely to be sidetracked.

It is time we call a spade a spade and as far as I know Prime Minister Owen Arthur has gone closer to doing this than any other politician in the region. Without political will, progress will continue to be slow. Summits have become ritual affairs where important issues are routinely shelved.

The primary role of the media in this situation must be, as it is in other cases, to put pressure on the politicians to do what they should be doing. They have been getting away with unforgivable laxity in their dealings with regional affairs. But the regional media are themselves not geared for joint and organised action.

## **SUGAR AND THE CSME**

### **PRESENTATION BY DR. IAN MC DONALD, CHIEF EXECUTIVE OFFICER SUGAR ASSOCIATION OF THE CARIBBEAN**

I start this presentation on sugar and the CSME with the following axioms which I believe are true in world trade today.

- 1) Free trade only benefits those industries and businesses which charge the lowest prices.
- 2) Basically, the WTO seeks to ensure that such industries and businesses drive others out of business worldwide. Powerful countries impose exceptions for themselves but the weak cannot.
- 3) Many important industries and businesses in CARICOM are not competitive in the WTO sense and never will be however hard they try mostly because they lack lavish subsidies or the advantage of operating on a large scale.
- 4) CARICOM therefore invites disaster unless it insists that the one-size-fits-all liberalization sponsored by the WTO should be adjusted in the case of small and vulnerable economies like ours.
- 5) Otherwise, the WTO will inexorably see to it that our markets are penetrated by external businesses underselling ours and we will suffer wide-ranging business closures, the collapse of vital industries and immense loss of jobs, income and market share.

In this threatening context, the CSME must operate to ensure the survival and success of our vital industries. This means, externally, that “special and differential” treatment is received for the CSME and, internally, that our own CARICOM Single Market is preserved for CARICOM producers in vital industries.

One of CARICOM’s identified vital industries is sugar. It is by far our largest agricultural enterprise. In Guyana alone sugar employs, directly and indirectly, 30,000 people and therefore sustains the livelihood of as many as 150,000 human beings. Sugar earns over US\$120 million in foreign exchange annually. Its byproducts are well utilized in the case of bagasse by the sugar industry itself as a fuel and in the case of molasses by other industries which are important and productive in their own right. Sugar’s multifunctional role contributes far greater value than can be measured in a mere profit and loss statement. Sugar sustains rural stability and countryside infrastructure and services which would otherwise have to be expanded in urban areas at huge expense to meet the influx of rural unemployed. Sugar is a renewable, environmentally friendly

business which makes the best possible use of land. The EU Commissioner of Agriculture, Franz Fischler, speaking for Europe, spoke for us also when he said recently:

“Agriculture is not only about profits, it is also about the environment, food safety, safeguarding the supply of food and protecting the rural way of life. The Doha Declaration clearly states that these concerns have to be an integral part of trade negotiations.”

In CARICOM so far success has been achieved externally in preserving “special and differential” treatment for sugar as a CARICOM vital industry

- (i) In the Doha Round of WTO negotiations the undertaking to “take account of the importance of preferential access for developing countries” was agreed and left on the table when the Cancun conference broke down. In any future negotiations that undertaking must be left firmly on the table for implementation.
- (ii) In the latest ministerial meeting in Miami in the negotiations for an FTAA smaller countries like ours have been allowed the option of keeping off the table sensitive sectors such as agriculture so our special needs have been suitably recognized.
- (iii) In our trading relationship with the EU, the Cotonou agreement, which succeeded the Lome Conventions, in Clause 36 (4) specifically acknowledges the special legal status of the Sugar Protocol and calls for a review which will preserve its benefits in any future Economic Partnership Agreement.

Quotas in the EU and US are not shared by CARICOM, except in the case of SPS quotas which are dwindling through the effect of the EU’s EBA initiative. It must be a priority aim to ensure that very valuable quotas are not wasted through individual countries not being able to fulfill commitments when Guyana can take up the slack. A transformation into jointly held quotas in a CARICOM Single Market must be effected.

Internally the CSME must provide a secure and remunerative market for CARICOM’s sugar production just as all countries with sugar industries do for theirs.

The framework for achieving this is in place.

- i) The Treaty of Chaguaramas, Article 57 (3b), states: “The Community shall establish an effective regime to protect regional agricultural production from dumping, subsidization and other unfair trading practices.”
- ii) There is an overarching CARICOM decision adopted in 2000 in respect of raw sugar that this should be marketable in CARICOM by the application

of the current 40% CET adjustable to take account of the level of world prices.

- iii) A COTED decision in 2000, reiterated in 2003, encourages the CARICOM sugar industry to establish refining capacity with the assurance that this will be supported by a CET regime to sustain viability.

The framework being there, Guyana must make full use of it in capturing the CARICOM market of 330,000 tonnes. Much has already been achieved. Guyana's sugar sales into the CARICOM market amounted to only 2,000 tonnes in 1992. They have risen to 90,000 tonnes this year and are estimated to rise further to 130,000 tonnes in 2004.

More needs to be done:

- (i) Guyana has to ensure that the CET regime is maintained at a level which preserves a remunerative market in CARICOM for our sugar production against the penetration of residual, dumped world sugar.
- (ii) Guyana must continue to improve quality of product, reliability of supply and standards of customer satisfaction which are fully competitive and indeed leave other potential suppliers in the dust.
- (iii) Guyana must increasingly add value by producing for the CARICOM Single Market Demerara Gold brand sugar products in packets to meet a need which is growing rapidly.
- (iv) Above all, because the market in CARICOM for refined sugar is 170,000 tonnes and refining capacity exists for only 60,000 tonnes, refining capacity using CARICOM raw sugar must be increased rapidly in the next few years.

Much is in place. A great deal has been achieved. Guyana must work hard to ensure that the CSME as it develops continues to benefit sugar as one of CARICOM's vital industries.

**EXPLORING THE POTENTIAL OF THE SERVICES SECTOR UNDER THE CSME –  
THE CASE OF BUSINESS SERVICES  
MR TIMOTHY ODLE, DEPUTY PROGRAMME MANAGER,  
SERVICES, CARICOM SECRETARIAT**

**INTRODUCTION**

In the brief time allotted to speak on this topic, I propose to focus on the short-term and the medium-term prospects of the services sector under the CSME to the economy of Guyana. I also propose to narrow my coverage of the services sector to the business services and the construction and related engineering services sub-sectors and within the business services to the professional services sub-sub- sector.

**OVERVIEW OF THE CARICOM SINGLE MARKET AND ECONOMY (CSME)**

The CARICOM Single Market and Economy (CSME) consists of fifteen sovereign states scattered across 250,000 square miles of sea. In the north-eastern sector, one finds Antigua and Barbuda, Jamaica and Haiti. In the north-western sector, one finds Belize. The eastern boundary of the single market is delineated by Dominica, St Kitts and Nevis, Saint Lucia, Barbados, Grenada, St. Vincent and the Grenadines. Trinidad and Tobago, Suriname and Guyana are located in the southern-sector of the single market. By all standards, the economies making up the CSME are small both in terms of population and with the exception of Guyana and Suriname in terms of land mass.

Conceptually, the CARICOM Single Market and Economy takes these fifteen different markets and links them into one market and this results in the deepest form of market integration. The national boundaries are only natural impediments and by Treaty arrangements these are dissolved. It is therefore now, not possible to carve out a Jamaican space in the market which will solely be given to Jamaicans. Likewise it is not possible to define a Guyanese space which is solely reserved for nationals of Guyana. There are now only community nationals operating in the market. Put it another way, national treatment is supreme and all community nationals are to be treated the same in any sector of the market. To give one example, with respect to work permits, since the nationals of Guyana are not required to have a work permit in order to work in Guyana, the nationals of Jamaica or Haiti coming to work in Guyana cannot be required to have work permit. The same is true for Guyanese nationals going to work anywhere in the single market outside of Guyana.

**DEFINITION OF A SERVICE**

Because of the rapid technological improvements in communications there is no one definition that satisfies the provision of services. However, services are said to be intangible, simultaneously produced and consumed and non-storable.

For the purposed of this paper, I would simply define a service, as the value-added created by the human being in economic output.

## **THE IMPORTANCE OF SERVICES**

Services account for more than 55% of total output and 60% of total employment here in Guyana. The Balance of Payment data are not available but I expect that services exports, especially Tourism Services, to be very important.

## **THE COVERAGE OF BUSINESS SERVICES**

Business services has six sub-sectors (**see attachment I**). The first sub-group is that of professional services which includes legal; accounting, auditing and book-keeping; taxation, architecture; engineering; integrated engineering services; urban planning and landscape architecture services; medical and dental services; veterinary services, services provided by midwives, nurses, physiotherapists and paramedical personnel to mention a few.

The provision of professional services in most member states of the CSME requires the providers to meet certain qualifying conditions and be licensed.

## **HOW ARE BUSINESS SERVICES PROVIDED IN THE CSME**

There are four ways of providing business services in the CSME.

The first is by cross border supply. In this case, the provider of the services remains in his location of the market and supplies the service to a consumer of the service which is located in another part of the market. An example of this mode of supply is the Guyanese medical practitioner operating from his/her office in Georgetown providing consultations to a patient who is located in Kingston, Jamaica. Neither the doctor nor the patient moves to provide or consume the service respectively. Some professionals have been arguing that this mode of supply should not be encouraged since the cultural and ancestral way of doing things could easily be bypassed.

The second way of providing the service is where the service provider stays at his/her location and the consumer moves to that location in order to consume the service. This is called consumption abroad. An example of this is where the Belizean student leaves Belize and comes to Lethem to learn the Portuguese language or culture. Another example is where researchers leave various member states and come to Guyana to study the bio-diversity systems in the interior.

The third way of providing the services is where the service provider establishes a physical presence in the market. This is called commercial presence. This is a very common form of providing services since there is a need for physical contact between the service provider and the service consumer. It is a necessary requirement for services such as banking, especially the taking of deposits where no consumer would put his/her money in an institution which does not have a physical office to which he or she can go periodically to check that the institution is still in existence and thus be confident that his or her money is safe.

The fourth way of providing the service is where the service provider moves from his/her location to the location of the service consumer. He or She may do this either through a company or detached from any company arrangements. This type of supply is called the movement of natural persons. An example of this is the temporary movement of Guyanese medical specialists, consultants and other professionals from Guyana into the various member states to supply their services and return to Guyana or go on to other member states on completion of their work.

## **EXPLORING THE POTENTIAL OF THE GUYANESE BUSINESS SECTOR IN THE CSME**

### ***Forging a stronger link between the Services Sector and the Agricultural Sector***

Using in-house data on the intra-regional trade in the top twenty commodities for the period 1998-2001, one observes that there is trade between Guyana and the other member states especially in sugar, rice, timber, fish products and some pharmaceutical products. However, I have observed that Guyana produces a large variety of ground provisions and fresh fruits in consistently good supply throughout the year. In addition these are very reasonably priced in the domestic market. For example, I can purchase 20-25 fresh oranges for G\$100.00 in the La Penitence market on a Sunday morning. This is equivalent to 20-25 oranges for BD\$1.00, which is very cheap given that imported oranges from Florida are sold 10 for BD\$4.99 (or 10 for G\$499.00) on average or sometimes 1 for BD\$1.00 (or 1 for G\$100.00) in the Barbados market. I see no reason why Barbadian consumers cannot enjoy a greater welfare from buying the cheaper oranges from Guyana and the local producers and retailers here in Guyana enjoying an increase in their welfare from selling oranges in the Barbadian market.

What therefore prevents the various consumers and producers from enjoying improvements in their welfare? In my view, the reason lies in the absence of proper linkages between the services sector (especially marketing and distribution services) and the agricultural sector, both within Guyana and among Guyana and the other fourteen Members of the CSME. I was particularly impressed during a recent trip to Dominica where I met the representatives of the Dominican Husksters Association. This Association is a body which buys members' produce such as bananas, oranges etc and sell them to markets such as Antigua and Barbuda, Guadeloupe, Martinique and St. Maarten. The Association also provides loans, packaging materials, visa facilitation,

post harvest chemicals and even helps members prepare business plans for funding by commercial banks. To me, this is a good example of linking the services sector to the agricultural sector. It can also be done here in Guyana and poverty can be reduced as a result.

## **CONSTRAINTS TO REALISING THIS POTENTIAL**

### ***UNRELIABLE COMMUNICATIONS SERVICES***

The efficiency in providing services in the CSME is highly dependent on quick, reliable and reasonably cost communications. The current state of the communications sector in Guyana does not foster the full potential of the service sector or the other sectors which depends on good communications to be competitive in the CSME.

### ***HIGH COST OF ELECTRICITY***

The provision of regular, low cost, high quality electricity services is a pre-requisite to the competitiveness of the service sector here in Guyana. While a detailed study has not been done, complaints in the daily news, notification of electricity shedding by the Guyana Power and Light (GPL) highlights the high cost of doing business here in Guyana. These are constraints that businesses operating in other member states within the CSME do not encounter and which create an unfair differential in the Guyana sector of the CSME.

### ***LACK OF ADEQUATE REGULATION OF THE SECTOR***

Trade in services is a relatively recent phenomenon which was facilitated by the rapid improvements in communication technology especially outside the CSME. As a result, most of the professional services have not been subjected to domestic regulations except medical and other health-related services and legal services.

Recently the plight of local Guyanese engineers was brought to the attention of the Working Group on Services Negotiation. Specifically it appears that professional engineers here in Guyana do not operate under domestic regulations which recognize them and govern how they practice. This was all well and good before the advent of the CSME. Now that the CSME has taken shape, Guyanese engineers find themselves not being legally recognised here in Guyana and as a result would not be able to practice in other member states especially Barbados, Jamaica and Trinidad and Tobago, since these member states require that they be registered and recognised here in the home market first in order to be recognised in their markets. In the absence of this, the local engineers would have to undergo a process of re-qualifying in those markets. It was also disclosed that draft regulations based on the regional model, developed by the

Council of Caribbean Engineering Organisations was with your Attorney-General's office for some time now. There is therefore an urgent need to address this matter so that professional engineers here in Guyana would not be unfairly disadvantaged in the CSME.

You should note that not only does Guyana face this problem, but also Grenada.

### ***INADEQUATE RENUMERATION OF PROFESSIONALS IN THE EDUCATION AND HEALTH AND RELATED SOCIAL SERVICES***

This is a matter which is very complex and hence its resolution is not going to be realised in the short-run. However, it should be noted that the salaries of teachers and nurses here in Guyana would operate as push factors leading to natural migration of these professionals and the possible collapse of the sub-sector. It should be noted that this is not unique to Guyana as they are some other member states in the CSME experiencing similar threats. It should also be noted that some members of these two professions still see their services as not being part of the CSME and hence may take long to respond to better conditions in other member states of the CSME.

### ***INADEQUATE FINANCING FOR SERVICES***

Some recent studies on financing for services have highlighted the fact that because of their intangible nature and the lack of track record or history of some service providers, commercial banks have been hesitant to provide lending. The challenges faced by the region's construction sector in winning contracts funded by multi-national donor agencies were also highlighted.<sup>1</sup> These include cost of bonds, insurances and other financial preliminaries, liquidated damages and provision for fluctuations in the costs of inputs. It was suggested that the financial service sector in the region needs to be much more creative in dealing with the special needs of the construction industry. The CARICOM Secretariat will be addressing this constraint in 2004 but Guyana needs to create the environment for facilitating the development of the services sector. It can do so by setting up a development of business development for example.

### ***LACK OF DETAILED STATISTICAL DATA ON THE SECTOR***

There is a general absence of detailed statistics in the role of the business service sector in the Guyana economy. Many have cited this absence as the reason for the lack of a plan for the sector in the National Development Strategy. It is however evident that information on income, employment, use of technology and other variables is available at diverse sources including the Guyana Revenue Authority, National Insurance Scheme, Registry Department and Commercial banks.

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<sup>1</sup> See Page 3 of the Report on CARICOM Construction and Installation Services Sector: Elements for Competitive Strategies by the Council of Caribbean Engineering Organisations (CCEO) 2002

The professional service providers must however recognize that it is in their favour to cooperate with the statistical department and report the requested data.

### ***THE CREATION OF THE GUYANA COALITION OF SERVICE INDUSTRIES***

The CARICOM Secretariat and the Government of Guyana through the Ministry of Foreign Trade and International Cooperation are currently working here in Guyana to organise the service providers into a coalition of service industries. We are hoping that with the launch of the coalition, an increase in export of services from Guyana to other members of the CSME would be realised. We are also hoping that a new partner in development would be established to help the Government of Guyana realise its goals of national development and poverty reduction. I would like to thank Minister Rohee for his support of the work being done and also encourage the task force to continue with its work so that the coalition can be formally launched by the 30 June 2004.

**CHALLENGES AND OPPORTUNITIES TO HEALTH, LABOUR AND EDUCATION  
SECTORS AND THE MOVEMENT OF CARICOM NATIONALS UNDER THE CSME  
PRESENTATION BY MS. BEVON MC DONALD, FOREIGN SERVICE OFFICER,  
MINISTRY OF FOREIGN TRADE & INTERNATIONAL COOPERATION**

Madam Chair, H. E. Elisabeth Harper  
Acting President, Mr. Samuel Hinds  
Honourable Ministers of Government  
Members of the Head Table  
Members of the Private and Labour Sectors  
Members of Civil Society  
Members of the Media  
Ladies and gentlemen:

In 1989 in Grand Anse Grenada, when the Conference of Heads of Government declared their intention to deepen regional integration, and to work towards the establishment of a single market and economy, it was in response to the increasing challenges posed by globalization and liberalization. This decision of the Heads was also in response to the opportunities being presented.

It is envisaged that the Caribbean Community (CARICOM) Single Market & Economy, commonly called the CSME, will ensure that we within the region have a skills base to not only counter the effects of the external countries to which our skills gravitate, but also to provide the basis for treating with and addressing the external world. The CSME would also provide grounding for not only our private sector to increase their competitiveness, or a market for our products, but also an avenue for our skilled professionals to fully develop and ply their trade.

Simply put, free movement entails the abolition of work permit requirements. The right to free movement by CARICOM nationals is guaranteed by the revised Treaty establishing the Caribbean Community including the CSME. This is fully elaborated upon in Chapter 3 which provides greater details on issues such as the prohibition of new restrictions and the removal of existing restrictions, as well as movement of nationals (Articles 45 and 26).

The revised Treaty requires each member state to examine their respective laws and identify all measures (administrative and legislative) which discriminates against non-nationals. Member states were also required to negotiate programmes for the removal of these restrictions. Complete copies of the programmes for each member state are enclosed in the folders that were being distributed and is available on CARICOM's website. This programme became effective from March 2002 and it is expected that all discriminatory measures would be removed by December 31, 2005. These programmes

are being implemented in three phases: in the short term, that is December 31, of this year; medium term, December 31, 2004 and long term, December 31, 2005.

It is apposite to note that any restrictions not included within the negotiated programmes would have to be removed immediately. Further, in keeping with the provisions of Article 36 of the revised Treaty member states are prohibited from introducing '**any new restriction on the provision of services within the Community by nationals of other member states**'.

Having regard to the desire for free movement, given that this is one of the more important aspects of deeper integration, the Conference of Heads of Government decided to proceed in a phased manner. That is commencing with university graduates. In 1996, in keeping with the phased approach the Conference of Heads decided to expand the categories of persons to include media workers, artistes, musicians and sports persons. They would not require work permits within any of the participating member state. This is in addition to self-employed business persons and service providers, including their managerial, supervisory and technical staff and their immediate dependants.

For the university graduates, media workers, artistes, musicians and sports persons they would first need to get the Certificate of Recognition of CARICOM Skills, which is issued by our Ministry of Foreign Affairs. This certificate facilitates entry into member states by these categories. Further, the Conference of Heads of Government, at their 14<sup>th</sup> Inter-Sessional agreed that by August 1, 2003 the free movement of skills should be fully implemented and operational.

Included in the packages distributed are detailed criteria for free movement of the above categories.

Necessary to the free movement of persons is the establishment of national accreditation boards. Within Guyana, the Attorney General's Chambers is currently examining the draft legislation establishing the Board. It is anticipated that by the end of the second quarter of 2004, our National Accreditation Board would become fully operational.

Another important aspect of free movement is the CARICOM Agreement on Transference of Social Security Benefits. This agreement entered into force in April 1997 and claims are being processed by Guyana, Barbados, Dominica, St. Kitts and Nevis and Trinidad and Tobago. It should be noted that Suriname does not have a national social security which is similar to those within Guyana and the other member states.

Bearing in mind that the ultimate goal is for the free movement of all nationals, the Conference of Heads took a decision with respect to hassle free travel. Nationals should be able to travel within CARICOM without the use of a passport, using suitable alternatives, such as a driver's licence or national identification card. In Guyana we

have taken the necessary steps to comply with this decision. Member states are also committed to implementing an Embarkation/Disembarkation Card which has common core data within CARICOM. It should be noted however, that in light of security and other concerns, such as the issue of deportees, member states have expressed strong concerns with regards to the use of ID cards that are not machine readable.

The Heads have also agreed that at all the ports of entry within member states there should be common lines: **CARICOM Nationals/Non-CARICOM Nationals**. It is expected that by December 31, 2003 these measures would be in place within CARICOM.

### **CHALLENGES TO THE HEALTH, EDUCATION AND LABOUR SECTORS**

The free movement of persons poses significant challenges to our educational, health and labour sectors. We in Guyana, will not only have to deal with the migration of our skilled labour force for better wages, but will also have to address the possibility of a cadre of unskilled in-experienced and ill-prepared workers. Given the absence of skilled and qualified persons, who will train and share and/or impart knowledge with the coming generation? How will the vacuum be filled?

Not only in Guyana but across CARICOM we are faced with declining educational standards. How do we address this, bearing in mind that it is often times said that education is the key to success? Moreover, education and formal instruction/training across the Region is far from standardized.

Many have said that technology is the way of the future and as noted by Dr. Bertrand in his presentation, but of critical import is our ability to treat with the advances in technology. Do we have the capacity to adequately adopt and adapt to the changes? If not, how do we acquire and/or develop it? I am sure that we are all alarmed at the current literacy rates across the region especially its likely impact on the future workforce.

One of the foremost concerns on our minds is the AIDS scourge and the havoc that it is wrecking across the region, and more so here in Guyana, where it is said that we have one of the highest infection rate. Of particular importance to the private sector and Government, is how do we treat with the possible decimation of our labour force in light of the statistics which show that the age range most affected is the 18-45 age group. This will greatly retard any hope of the business sector being able to compete and share the benefits of the CSME.

How do we attempt to cope with our own infection rate, as well as seek to address “the cross-border movement” of AIDS and other contagious diseases?

Other health concerns requiring attention in light of the fact that we have now imported not only the culture of developing countries but their way of life, eating habits, increasing

the incidence of hypertension and diabetes. This hampers our productivity levels. These are the issues that we need to address now.

## **OPPORTUNITIES TO THE HEALTH, EDUCATION AND LABOUR SECTORS**

Having said all of the above, do we throw our hands up in despair and wonder at what is to become of us? Most certainly not! On the positive, brighter side, the CSME will afford us, Guyana, several opportunities to fully develop and realize our real potential. Take agriculture and related agro-industries for example, we have enough fertile arable land available to cultivate and supply the region's market.

This is where our private sector will have to play a meaningful role. One of the key components is getting the produce to consumers. It therefore means that transportation would play a vital role. Will the banks assist the private sector with loans to develop the transport sector? The university now has the opportunity to provide the facilities for research and development to enhance our agri-products. We will be providing more jobs for our people.

With respect to education, the free movement of labour would rebound our benefit. Returning nationals will bring their "newly" acquired skills and experiences and resources to positively affect and influence Guyana's development. Further, the free unhindered movement of persons would ensure that there is access to a wider skills base.

Free movement would undoubtedly play a key role in instilling and/or reinforcing a strong sense of nationalism and patriotism within our younger generation. Learning, sharing and benefiting from the experiences of their mentors would encourage the younger generation to view this country not only as where they were born, but as their homeland, their heritage and culture.

It is anticipated that with the advent of free movement our citizens would be assured of quality medical care given that health care professionals can now move freely without the requirements of re-registration. The available level of expertise would be significantly widened.

Our pharmaceutical industry will be afforded the opportunity to expand its scope of operations, as well as to invest more time in research and development of new products with managed exploitation of our indigenous plants. Guyana, with 83, 000 square miles, and extensive forest resources, holds a treasure trove of undiscovered plants and trees that will assist in enhancing the industry. As with competition, costs would be significantly reduced. By now, the region should be aware of our advances with respect to anti-retroviral drugs. What is now needed is for these drugs to be marketed.

For Guyana, the current "**Barbados Bench**" syndrome will have a major impact on not only the free movement of nationals, but also on the wider implementation of the CSME.

It is also recognized that a major challenge to the free movement of persons is a lack of adequate information and knowledge of the process, the rights accorded to nationals under the revised Treaty. Many of us present here today would undoubtedly be hearing and learning of quite a lot for the first time. It is with regard to the need for sharing information on the CSME that we are here.

## **CONCLUSION**

I have sought to highlight but a few of both the challenges and opportunities of free movement facing us with respect to our education, health and labour sectors. It is imperative that as we go into our breakout groups, we seek to develop proposals and advance recommendations to address the issues raised as well as any other, with respect to arriving at a Guyana perspective. You should also put forward suggestions on garnering and maintaining public support and interest on the CSME, given that we have all recognized the importance of public education and awareness of the wider CSME process.

I wish to underscore however the necessity of addressing these and other critical issues. In this regard, as an initial step, we may wish to consider that immediate development of an adequate and broad-based training programme as part of our strategy and I have to agree with Mr. Carryl in noting the importance of education. This programme should be designed and structured in a manner that would ensure that we are training for our needs, in key and critical areas, not only for tomorrow, but for the foreseeable future and beyond. This therefore calls for greater collaboration between that academic institutions and the private sector.

In closing, allow me to inform and remind you that the success of the CSME depends on the ability of nationals to fully enjoy all the benefits vested therein.

Thank you.

## RECOMMENDATIONS AND CONCLUSIONS

The Summit's participants made the following recommendations for future action with respect to making Guyana ready for the implementation process of the CSME as well as to make optimum use of the opportunities to be provided.

With respect to **general issues**:

- In view of the fact that at all levels there is a lack of knowledge and understanding of the CSME process, the Summit noted that there is a need for a strong ongoing public awareness/sensitization programme.
- A national body should be established to treat exclusively with defining Guyana's interests and positions, in an effort to foster appreciation, understanding and ownership of the process. This body should include NGOs. Further, the varying relevant reports emanating from meetings at the regional level should be used as a guide for discussions with a view to revising the implementation schedule of the CSME.
- Efforts should be made to establish a national body that is similar to the CARICOM Export Development Agency (Caribbean Export) with the primary objective of identifying markets for Member States.
- Special workshop and/or training sessions for facilitators and other interested parties should be arranged for the dissemination of information. These sessions should be spread across the Regions to engage discussions at all levels.
- There is an urgent need for training at the frontline levels (Customs, Immigration etc.).
- Consultations on the Draft Rules of the Caribbean Court of Justice (CCJ) in both its Original and Appellate Jurisdictions should be convened. Consultations should be held with the local Bar Association, Attorney General's Chambers and the Judiciary with respect to inputs needed to finalize the Rules of Court.

With respect to issues pertaining to the **productive sectors**:

- A national committee should be convened to bring together key players in production of logs and wood processing. This would facilitate the development of common positions.
- An examination should be done with a view to formulating a policy framework to target CARICOM and international markets.

- Stronger efforts should be made to encourage joint-venture arrangements within CARICOM.
- Efforts should be made to ensure the full application of CARICOM Rice Standards. Further, the CARICOM Monitoring Mechanism for Trade in Rice needs to be fully implemented.
- Work should be done by the relevant Ministries/Agencies to ensure that the CET mechanism is utilised effectively to sustain the viability of vital and sensitive agricultural industries in the face of subsidised and dumped extra-regional imports.
- Continued efforts should be made to ensure that the sugar refining capacity, utilizing regional production, is established to fulfill demand, using the appropriate CET mechanisms, including those that were already approved in principle.

With respect to the **services sector**:

- The need for relevant legislation, that is, the legislative framework for trade in services, for example for engineering services, real estate and distributions services, was underscored. Further, efforts should be made to identify inter-sectoral linkages with a view to the development of a national strategy for trade in services.
- The local insurance companies should take the necessary steps to adjust the Domestic Asset Ratio to include CARICOM and not be limited to just the domestic (Guyanese) market.
- Notwithstanding the possibility of a moral hazard, a Deposit Insurance Scheme should be introduced as a form of protection to investors/depositors, in the event of bank failure.
- Work should commence at the regional level to pave the way for the establishment of a Financial Sector Agreement in respect of banking, insurance, and security, so as to create a level playing field for all CARICOM member states.
- Consideration should be given to the establishment of a centralized Credit Bureau to provide personal information for the purpose of verification for credit in the free movement of capital and persons, as well as the possible establishment of a Bond Rating Agency.
- It is imperative that the Central Bank becomes more proactive especially with regard to giving direction vis-à-vis Guyana's Monetary Policy. The Bank should

also address, with a view to formalizing the relevant policies to allow citizens to hold foreign currency accounts.

- The University of Guyana should be encouraged to offer short-term courses in financial engineering.

With respect to the **social sectors**:

- Labour laws across the region should be harmonised; as well as other relevant and concomitant legislation. In this regard, it was noted that Guyana is ahead in some areas.
- Development and establishment of common examinations for medical doctors, pharmacists and nurses. The early establishment of the National Accreditation Board by March 2004 is critical.
- Development of a specialised marketing campaign to promote and encourage a policy of immigration by skilled qualified CARICOM nationals to Guyana. A specific market analysis of the other member states is necessary.
- Standardization of the age of retirement across the region should be considered.
- The local private sector should adopt a progressive and proactive approach and take initiatives and approaches to the CSME, organizing themselves and investing in training and seeking relevant necessary technical assistance.
- The establishment of the Business and Labour Advisory Committee (BLAC) should be expedited.
- The educational system should be put under constant review to ensure that the skills that are required within the region are being produced.

With respect to **security considerations**:

- Need for an integrated intelligence network system – computerized database for tracking persons across the region.
- Establishment of a national body equivalent to the Regional Law Enforcement Technical Committee. The Regional Security System (RSS) should be expanded to take into account new dimensions of operational capabilities.
- Establishment of a National Commission of Law and Order, in keeping with a decision of the Conference of CARICOM Heads of Government. The composition

of this commission should be as broad-based as possible and its terms of reference should include:

- An advisory body to the Minister of Home Affairs; and
  - A link to the parliamentary process.
- Closer involvement of the Private Sector in partnership with Labor is urgently needed and critical to the success of the CSME.
- Early consideration should be given to the free movement of capital vis-à-vis the monitoring requirements to counter money laundering and other illegal financial transactions.

### **Closing Remarks by Ambassador Havelock Brewster**

There is something that's not working well in our CSME agenda. I'd like to point to four areas of concern. The first is the difficulty in transforming Community policy into legislation and action. We have three alternatives: going the EU route of Community law; using a hybrid EU model, focusing on discrete areas of Community law; and improving the existing inter-governmental approach pursued by the Community Secretariat. Whichever route is followed, "a fast track strategy" in selected policy domain merits further consideration.

The second concern is the deficit in communication with and involvement of the stakeholders. An initiative as far-reaching as the CSME cannot be confined more or less to a small circle of officials. It was pointed out, rightly so I think that there has been failure of communication at all levels –governments and the Community, the private sector, and the media. An effective and sustained strategy is vital—not simply occasional brochures, radio and TV programs, and ad hoc meetings. An institutional mechanism for continuing, sustained effort is needed.

Thirdly, closer involvement partnership with the Private Sector and Labor is both urgently needed and critical to the success of this venture. Again, this is something that must be done in an effective and sustained manner and requires a continuing institutional mechanism.

Finally, as we have seen during the course of this meeting, the CSME is a program of immense complexity. It is easy to lose focus and easy to lose one's way. What is need is a prioritized agenda. This event has provided an invaluable assessment of the issues. Each of the concerned Ministries, in collaboration with other stakeholders, can use its results and the documentation provided to prepare departmental Action Plans.

## REALIZING THE CSME: PROSPECTS FOR NATIONAL DEVELOPMENT

NATIONAL ONE-DAY SUMMIT ON THE  
CARICOM SINGLE MARKET & ECONOMY  
DECEMBER 01, 2003, LE MERIDIEN PEGASUS HOTEL

### Programme

- 09:00 Hours - ***Opening Session***  
Chaired by the Hon. Clement J. Rohee, M.P.,  
Minister of Foreign Trade & International Cooperation
- Remarks by  
***Dr. Peter De Groot***  
***Chairman***  
***Private Sector Commission***
  - Remarks by  
***Mr. Lincoln Lewis***  
***General Secretary***  
***Guyana Trades' Union Congress***
  - Presentation  
***H.E. Ambassador Havelock Brewster***  
***Alternate Director, Inter-American***  
***Development Bank***
  - Feature Address  
***Honourable Samuel A. A. Hinds***  
***Prime Minister, Cooperative Republic of***  
***Guyana***
- 10:30 Hours - ***Coffee Break***
- 11:00 Hours - ***Presentations:***  
Chair: H.E. Elisabeth Harper (Mrs.)  
Director General, Ministry of Foreign Affairs
- Basic instruments, Institutional and Regional  
Arrangements under the CSME
    - ***Mr. Ivor Carryl***  
***Programme Manager***  
***CARICOM Secretariat***

- The Judiciary and Legal System under the CSME
  - **Mr. Sheldon Mc Donald**  
**Project Coordinator, CCJ Unit**  
**CARICOM Secretariat**
  
- Presentation on the Role of the Media in Promoting the Objectives of the CSME
  - **Mr. David De Caires**  
**Editor-in-Chief**  
**Stabroek News**
  
- Presentation on the Region's Private Sector Involvement
  - **Mr. Rollin Bertrand**  
**President**  
**Caribbean Association of Industry and Commerce**
  
- Positioning the Agricultural, Mining and Manufacturing Sectors to face the challenges and opportunities in the CSME.
  - **Mr. Byron Blake**  
**Assistant Secretary General for**  
**Regional Trade and Economic Integration**
  
  - **Dr. Ian Mc Donald**  
**Chief Executive Officer**  
**Sugar Association of the Caribbean**
  
- Exploring the potential of the Services Sector under the CSME
  - **Mr. Timothy Odle**  
**Deputy Programme Manager**  
**CARICOM Secretariat**
  
- The Banking and Financial Institutions under the CSME
  - **Ms. Enid Bissember**  
**Senior Project Officer**  
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- Challenges and opportunities to health, labour and education sectors and the movement of CARICOM Nationals under the CSME.
  - **Ms. Bevon Mc Donald**  
**Foreign Service Officer**  
**Ministry of Foreign Trade & International Cooperation**
- Security considerations with the advent of the CSME.
  - **Mr. Fairbairn Liverpool,**  
**Lt. Col. (Retd.)**  
**Coordinator**  
**Regional Drugs and Crime Control Programme**  
**CARICOM Secretariat**

13:30 Hours:

- **Lunch**

14:15 Hours

- **Breakout Working Group Session**

17:00 Hours

- **Coffee Break**

17:30 Hours

- **Final Session**  
(Chaired by Amb. Havelock Brewster)
  - Presentation of Working Groups' Reports
  - General Discussions
  - Conclusion and Recommendations
  - Closing Remarks :
    - Hon. Clement J. Rohee, M.P.

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