



## **ORGANISATION OF EASTERN CARIBBEAN STATES (OECS)**

**STATEMENT BY DR LEN ISHMAEL,  
DIRECTOR GENERAL OF THE ORGANISATION OF EASTERN CARIBBEAN  
STATES (OECS) ON THE OCCASION OF THE OFFICIAL OPENING OF THE  
OECS GENEVA TECHNICAL MISSION  
TUESDAY, 28<sup>TH</sup> JUNE 2005**

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Mr. Chairman, Representative of the World Trade Organization and Senior staff of the WTO, Distinguished representatives of the European Union, including the Head of the Project Management Unit to support ACP States on WTO Issues, Secretary General of ACP Secretariat, Chair of the WTO General Council, Head of the Swiss Permanent Mission to the WTO and other International Organizations in Geneva, Distinguished Ambassadors and Permanent Representatives, Representatives of the Media, Distinguished Ladies and Gentlemen.

Permit me the opportunity to welcome you this evening, as you join with us in celebrating what is truly a momentous occasion for us in the OECS, as we celebrate the opening of the OECS Technical Mission to the WTO here in Geneva.

The OECS Geneva Technical Mission, while being a representational office is functionally the result of a capacity building project designed to assist the OECS MS to both build and enhance our trade capacities, as well as permit us the opportunity to be more active participants in the current DOHA negotiations which in no small way will shape the future within which we will live and work, and in so doing, provide for the functional articulation of these islands into the global economy, in a manner which we hope will not be inimical to our best interests.

It is not often that microstates such as ours have the opportunity to articulate, promote, and to the extent that we can, protect and project our strategic interests in theatres such as these, and to the many who made this occasion, despite its recurring hic ups, at long last a reality - a deep and sincere thank you.

To many of you, we are a little known entity. The OECS is a small sub-regional grouping in arguably one of the most beautiful places in the world,

the Eastern Caribbean, comprising 9 member states, six of whom: Antigua & Barbuda, Dominica, Grenada, St Lucia, St Kitts & Nevis, and St Vincent & the Grenadines, are countries which became independent in the decade of the 1970's and early 80's, while the other three: the British Virgin Islands, Monsterrat and Anguilla remain non independent territories.

The countries are located in an archipelago spilling eastwards and southwards from Puerto Rico in the north to Trinidad & Tobago in the south, and are far from homogenous. Population sizes range from 162,000 for the largest island, St Lucia, to less than 5000 for the smallest - the island of Monsterrat. GDP per capita ranges from under USD 3,600 for some of the islands at the low end, to over USD 37,000 for the British Virgin Islands at the high end. Most of the islands in the group however have GDP/capita of less than USD7,000, and all face the debilitating vulnerabilities so characteristic of small island developing states. In one dramatic example, the tiny island of Grenada saw its entire productive capacity wiped out in a mere few hours, by the fury of Hurricane Ivan which resulted in losses totaling two years worth of its GDP in September 2004.

While part of the wider Caribbean regional grouping of CARICOM, the OECS was established by the Treaty of Basseterre in 1981, building on a long tradition of functional cooperation between these 9 countries starting with the establishment of the West Indies Council of Ministers in 1964, and the Eastern Caribbean Common Market in 1968, both of which were designed to provide fora within which these islands could speak to the issue of self determination and independence.

By 1984, in the wake of the independence of most of the members, it was felt that a deeper form of integration and regionalism was required to promote the strategic interests of these islands, thereby reducing their vulnerabilities and increasing their resilience as a whole. And so it was that on June 18<sup>th</sup> 1981, the Treaty of Basseterre was signed giving birth to the organization which we know today.

The model within which the OECS has sought to develop and shape its future, is very much one in which the pooling of scarce resources both financial and human, to reduce their vulnerability, has taken center stage - expressed through the development of sub-regional approaches to an array

of issues of strategic importance including those relating to external relations and trade, security, the judiciary, monetary, health, tourism, agriculture and education policy among others, all of which are articulated through the establishment of what we consider to be an impressive array of sub regional institutional architecture.

The architecture to which we speak finds vivid expression through the vehicle of OECS sub regional institutions which include: the OECS Secretariat, the Eastern Caribbean central bank and currency union, the Eastern Caribbean Directorate for Civil Aviation, the Eastern Caribbean Telecommunications Authority, the Eastern Caribbean Supreme Court, the Eastern Caribbean Securities Exchange, joint diplomatic missions in Ottawa and Brussels, and a joint pharmaceutical procurement programme established in 1986 through the OECS Secretariat - an entity which has been instrumental in reducing the costs of many popular drugs by as much as 68% in the sub region. And on June 1<sup>st</sup> the OECS HIV AIDs Unit was opened at the Secretariat, building on the longstanding OECS tradition of sub regional initiatives, with the financial assistance of the Global Fund and the Clinton Foundation.

The OECS islands have also harmonized their policies with respect to the education, health, agriculture and tourism sectors, as well as judicial reform, development and environmental management. We are in the process of undertaking a regional approach to our prisons and police force in an attempt to tackle transnational crime such as drug trafficking and money laundering, and, within the next few weeks we will table, for discussions with the OECS Authority, at a special sitting of OECS HEADs, a new Treaty, leading to the formation of an economic union to further guide and protect our strategic interests.

The OECS Model is therefore alive and well and has been very much our own home grown response to the issue of our vulnerability initiated over the course of 50 years or so by leaders who were visionary enough to understand that this, for us, was the only way. The opening of the OECs Technical mission here in Geneva in many ways serves to give further expression to the model within which we have pursued our strategic interests over the past many decades.

This is not to say that OECS member states are not severely challenged in our bid to hold on to the gains of the past while trying to secure better futures for our people. First among those challenges is the need to complete the transition which has been in place over the years as we move from being primary producers to being service providers. In 1983 agriculture contributed as much as 45 % to the GDP of these islands, by 2003 this had whittled down to 3.6% as a result of significant losses to the banana and increasingly so, the sugar industries as a result of changes in world trading arrangements governing these products. Despite this, agriculture remains an important source of foreign exchange and employment for many of the OECS MS - hence the severe trauma and dislocation experienced by these islands in the aftermath of changes in protocols surrounding the issue of trade in agriculture and market access.

By 2003, the development of these islands was very much led by services, particularly tourism. Services now account for more than 80% of the collective GDP of these islands.

Combined with the special challenges which have emerged as a result of changes in the structure of production, are all of those directly attributed to trade liberalization - a factor which has resulted in a dramatic reduction in revenues to OECS MS. At the same time, public sector debt has risen markedly over the last 10 years ranging from 64% - 162% of GDP for OECS Member States, with 4 of the MS among the 10 most highly indebted emerging markets in the world. Issues relating to crime, security, the high levels of unemployment especially among the regions youth are among the challenges which continue to bedevil these islands. We are however committed to the long haul and will continue to pursue those strategies which are in our best interests.

It is in this context that, while we continue to do what we can within the limits of those things which we can do, we ask that our continued insertion into the globalization process not come at the price of our ability to sustain ourselves and provide for the future of our children in a manner which is respectful of our rights to work and dignity. We continue to ask that full recognition be given to the reality of the fact that the countries of the world are all at different levels of development, that the playing field is not level, that double standards exists with respect to the implementation of

protocols guiding world trade, and that special accommodation must be given to those among us who are the most weak and vulnerable if world trade is to deliver the benefits which it is touted to deliver, to all, and that trade as a tool of development be understood in that context.

It is in this context that our ability to have a presence here in Geneva is so vital to our long term welfare. Permit me, therefore, in closing, to take this opportunity to express the sincere appreciation of the OECS Authority, our Member States, my colleagues and myself to all those who in various ways assisted us in being represented in Geneva.

Special thanks are due to the European Commission and in particular the Project Management Unit (PMU) to support ACP States on WTO Issues, whose Director Mr. Pierre Berthelot is here with us today, and without whose financial support the OECS would not be presented in Geneva. Both OECS Member States and the OECS Secretariat confidently expect that the financial support from the PMU which will expire in a few months time will be extended to the end of the life of the PMU. We wish to also thank the Commonwealth Secretariat for its financial and technical support ; to AITIC and its Executive Director, Dr. Esperanza Duran for the generosity with which they provided office accommodation and facilities until the OECS moved to its own premises ; to the Swiss Authorities for their cooperation and assistance ; to the staff of the WTO, especially the External Relations office, Office of the Director General, and the Technical Assistance and Training Institute for their ongoing training programmes to which OECS nationals have access ; to the ACP Secretariat and to all CARICOM WTO representatives for their continuing support and advice. These various contributions have been instrumental in easing the burden of establishment which has been the lot of our resident Chargé d'Affaires, Mr. Elliott Paige. Thanks also to all those WTO Members who supported the OECS request for Observer Status at the WTO. Although our request was not successful at the time, we expect that our new Observer status to the UN and its various organs will facilitate our ability to play a constructive role in the building of partnerships in the WTO so that this institute of which we are all members will become more inclusive.

Last but not least, I wish to publicly thank all OECS Member States for their political and financial support in particular the Government of St. Kitts

and Nevis whose Permanent Representative to the WTO, Ambassador George Bullen of the OECS Mission in Brussels, spearheaded the efforts that culminated in the active participation of the OECS at the WTO. A special thanks to you, Ambassador Bullen

And finally, a special thank you to all of you, for your support and participation in one of the defining moments in the historical evolution of the Organization of Eastern Caribbean States.