



ORGANISATION OF EASTERN CARIBBEAN STATES

COMMUNIQUE

47th Meeting of the OECS Authority

23rd – 24th May 2008

Bay Gardens Beach Resort
Rodney Bay, Gros Islet
Saint Lucia

INTRODUCTION

The 47th Meeting of the Authority of the Organisation of Eastern Caribbean States (OECS) was held on May 23rd and 24th at the Bay Gardens Resort, Rodney Bay St. Lucia, under the Chairmanship of the Prime Minister of Grenada, Dr. the Hon. Keith Mitchell.

Heads of Government and Representatives of Heads of Government in attendance were:

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| Hon. Baldwin Spencer | Prime Minister of Antigua and Barbuda |
| Hon. Roosevelt Skerrit | Prime Minister of the Commonwealth of Dominica |
| Dr. the Hon. Keith Mitchell | Prime Minister of Grenada and Chairman of the OECS |
| Authority | |
| Hon. Dr. Lowell Lewis | Chief Minister of Montserrat |
| Hon. Dr. Denzil Douglas | Prime Minister of St. Kitts and Nevis |
| Hon. Stephenson King | Prime Minister of St. Lucia |
| Dr. the Hon. Ralph Gonsalves | Prime Minister of St. Vincent and the Grenadines |
| Hon. Osborne Fleming | Chief Minister of Anguilla |
| Hon. Ralph O'Neal | Premier of the Virgin Islands |

OPENING CEREMONY

The Opening ceremony was addressed by the incoming Chairman, Prime Minister Dr. the Hon. Keith Mitchell, outgoing Chairman, Prime Minister Hon. Roosevelt Skerrit, host Prime Minister Hon. Stephenson King and OECS Director General Dr. Len Ishmael.

Incoming Chairman, Prime Minister Mitchell applauded past efforts to facilitate integration of the OECS and the significant successes recorded to date, but he cautioned that much still remains to be done. He called especially for action in agriculture to combat the emerging food crisis; regional transportation to halt the slide in intra-regional tourism; justice; law and order and the fight against the drug trade. He also congratulated acting Chief Justice His Lordship Mr. Hugh Rawlins on his recent appointment and expressed the hope that he would not be made to act for any extended period.



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Outgoing chairman, Prime Minister Skerrit expressed confidence in the capacity of OECS people to find creative solutions to their challenges, including the building of an Economic Union. He urged the region's people to support their farmers as a means of countering spiraling food prices. He also lamented the breakdown of strong family units and the reduced emphasis on civic responsibilities and teaching of values in schools, most of which have removed praying time from their daily schedule. Prime Minister Skerrit expressed gratitude for the support over his year as Chairman of the Authority, which culminated with the launch, in his native Dominica, of the regional public consultation on the OECS Economic Union, and expressed his commitment to be of continued assistance to the New Chairman.

Host Prime Minister King welcomed delegates to the home of the OECS Headquarters and expressed his pleasure with recent developments aimed at consolidating the cooperation among the Member States. He urged OECS nationals to participate fully in the Economic Union Dialogue and called for the activation of a Foreign Affairs Committee to coordinate foreign policy for the region.

Director General Dr. Ishmael pointed to significant benefits to the region from the many OECS institutions created over the years in areas including telecommunications, monetary regulation, the justice system, joint purchasing of pharmaceuticals and security. She spoke of the comprehensive, far reaching assessment of the geopolitical landscape being undertaken by the OECS to inform how the region promotes and protects its strategic interests. She noted the rise of the new centers of economic and political power India, Brazil, China and Russia; the growing economic strength of countries in the far East and the Gulf States; and the quiet increase of the presence of Canada in the region.

SECRETARIAT MATTERS

Budget

The Authority approved the Secretariat's budget for the financial year 2008/2009 and Member States restated their commitment to meet their obligations to the Organisation. The Authority also agreed to a revision of staff emoluments and improved conditions for the staff of the Secretariat.

Work Programme

The Authority received and endorsed the 2008/2009 Work Programme for the Secretariat.

Update on Establishment of New Secretariat Headquarters

Heads received an update from the Secretariat on plans for the construction of a new Headquarters building in St. Lucia. Heads also welcomed the efforts of the Government of St. Lucia to secure a



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suitable site for the construction of the building.

Farm Workers Programme

The Meeting received a report from the Secretariat on the Canadian Farm Workers programme, and noted the programme's contribution to employment creation and foreign exchange earnings for Member States. The Meeting re-emphasized the importance of the programme and agreed that increased attention must be paid to and support given for the programme by the Member States.

ECONOMIC UNION

Relationship of Non-Independent Member States

The Authority welcomed a report from the consultant (Dr. Francis Alexis of Grenada) engaged to examine options available to the Non Independent Member States (NIMS) – Montserrat, Anguilla and the Virgin Islands - in the evolution of the process towards the proposed OECS Economic Union.

The Authority noted the consultant's recommendation that the most effective solution to the constitutional challenges facing the NIMS would be constitutional advancement which would enable them to sign and ratify OECS Treaties on their own without having to depend on that authority being delegated by the British Government. The Authority also accepted the suggestion by the Consultant that consideration be given to an arrangement that exempted the NIMS from commitments that their constitutional status did not allow them to undertake.

The Authority accepted an invitation extended by the Chief Minister of Anguilla for an OECS participation along with the NIMS in a joint engagement with the British Government in October to address issues related to the constitutional status of the NIMS.

Report on First Public Consultation

The Meeting received a report on the first Public Consultation on the draft OECS Economic Union Treaty held in Dominica on April 23rd 2008, and urged Member States to arrange for similar national launches as soon as possible.

In this regard, the Meeting welcomed plans by the Government of St. Vincent and the Grenadines to hold the launch of their public dialogue in June.



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Report by Economic Union Task Force

The Authority received and noted a report from the Economic Union Task Force. The Meeting noted the recommendation for:

- Member States to establish Cabinet and Parliamentary sub-committees to assist the Economic Union process.
- The sub-committee of Heads to include the incoming and outgoing Chair of the Authority.
- Clarity on the roles of the entities driving the Economic Union process.

The Authority welcomed the announcement by the Government of St. Lucia of the appointment of an Ambassador for OECS and CARICOM Affairs, who will work out of the Prime Minister's Office, and the plans to eventually create a Unit along the lines of those already established in Dominica and St. Vincent and the Grenadines.

GEOPOLITICAL MATTERS/INTERNATIONAL RELATIONS

OECS/Canadian Strategic Interests

Heads were updated on plans by the Secretariat to undertake a technical study by June this year to assist in informing the positions that the OECS would wish to adopt in the upcoming CARICOM negotiations with Canada for a new trade and cooperation agreement. The Authority noted that key issues which will engage the study include trade in goods and services; tourism related services; financial services; services related to the creative industries; movement of people; investment; development and non-reciprocity. The Meeting was informed that an inception report will be prepared on the conclusion of the study. The Heads commended the work of the Secretariat in supporting the Member States in trade negotiations, and called for increased attention and effort on the part of the Member States in this vital area of international engagement.

CARICOM/USA Meeting in June 2008

The Meeting reviewed the arrangements and schedule for the June 19th – 20th New York Conference on the Caribbean Community, initiated by Congressman Charles Rangel following his attendance at the CARICOM Heads of Government meeting in July 2007. Heads noted the main areas of focus of the New York Conference as Education, Trade and Investment, and Diaspora Interactions, and agreed that it would be important for Heads to attend. Heads mandated the Secretariat to provide them with briefs especially on areas related to education reform and health to inform their interventions.



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SPECIAL REPORTS

Survey of Cuban Trained Medical Practitioners and other Medical Doctors

The Meeting noted the findings of a survey of Cuba-trained medical doctors and medical specialists in the OECS which showed that of the 542 doctors in the region, about 45 percent were trained in Cuba, with Dominica recording the highest percentage, 79 percent. The Meeting also noted the findings that the region had only small numbers of specialists and that there was a shortage of specialists in crucial areas including Oncology, Urology, nephrology, and ENT. The Authority agreed in principle that, based on the number of available trained doctors, the region has the capacity to offer support to needy areas in Africa, but the practical details about cost for travel and stipends will have to be worked out.

Report from Ministers of Tourism Meeting

The Authority received a report from the seventh meeting of the OECS Council of Tourism Ministers which was held April 10-11 in Antigua and Barbuda.

Heads accepted the Ministers recommendations to:

- Mandate the Secretariat to continue its work on harmonization of hospitality education programmes, taking into account ongoing discussions with Canadian university officials on the establishment of a regional hospitality arts centre in the OECS.
- Support the proposal to invite presidents of Hotel and Tourism Associations to participate in meetings of OECS Directors of Tourism on selected agenda items.
- Support the proposal for the development of a policy on increasing functional cooperation among Member States with regards to joint participation at tourism and related events.
- Support the recommendation that St. Lucia's hosting of CHA Marketplace 2009 be done utilizing an OECS theme.
- Accept the agenda proposed by Ministers of Tourism for discussion at the CARICOM Summit on Tourism in July.



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- Agree to meet with the Prime Minister of Barbados to discuss the adverse implications of the in-transit passenger tax on intra regional travel, and
- Agree to dialogue with authorities in Puerto Rico on the recent policy to subsidise low cost carriers to domestic airports, and the resulting reduction in air traffic to OECS Member States from American Eagle.

Impact of APIS on the Yachting Sector

The Meeting considered the effect of the Advanced Passenger Information System requirements as proposed under the Regional Security arrangements. The Meeting agreed that these requirements were onerous and would impact negatively on yachting tourism in the OECS. The Meeting accordingly agreed that the OECS could not commit to the procedures as proposed at this time.

Rising Food Prices

Heads discussed the issue of rising food prices and policy options for the OECS. They noted the causes of the current food price crisis including:

- rising demand in India and China
- rising fuel prices
- expansion of the biofuels industry, and
- production shortfalls due to weather conditions

The Heads further noted the high dependence of the region on imported food and the effect of the food price hike on major imports such as cereals and livestock products. Heads agreed that this was a matter of great significance and urgency in the OECS. It was accepted that the critical need was for an increase in food production, and agreed that Member States should immediately share their experiences with development of mechanisms to deal with the challenges facing the farmers and the agricultural sector generally, as well as measures taken to mitigate the impact of the situation on the poorer and more vulnerable segments of the populations of the Member States.

The Secretariat was requested to provide assistance to St. Kitts and Nevis in helping with research on controlling the monkey population which has been destroying the country's agricultural produce.

In this regard the Secretariat also promised to obtain a copy of a recent report on the green monkey population done in Barbados and make it available to the Government of St. Kitts and Nevis.



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Banana Update

The Meeting discussed recent developments in the negotiations on bananas within the Doha Development Agenda, particularly the evolving political dynamics of the negotiations, and agreed to endorse the conclusions of the 26th Special Meeting of the Council for Trade and Economic Development to:

- Intensify the region's efforts at preventing what could amount to a weakening of its preferences on the EU market by the reduction of the current tariff of 176 Euros per tonne.
- Agree that, in the context of the WTO Doha Development Agenda negotiations, the treatment given to bananas, and to the extent to which such treatment meets the interest of the Region, should be regarded as a redline for the region's acceptance of any final outcome of those negotiations.
- Also agree to maintain a consistent effort at impressing upon the European Union the importance of acting in keeping with the Joint Declaration on Bananas annexed to the CARIFORUM-EC EPA and of maintaining a banana import regime that facilitates the continued remunerative participation of the Caribbean in that market.
- Further agree that there is need to undertake a political engagement within Europe in the coming weeks in order to give continuing political prominence to the Region's interests, including strengthening coordination among the EU and ACP banana producers, and to impress the seriousness of the Region's position to the interested parties
- Agree to the convening of a Banana Stakeholders Meeting in St. Vincent and the Grenadines under the Chairmanship of the Lead Head of Government on Bananas, the Prime Minister of St. Vincent and the Grenadines to consider these developments and name Ministerial spokespersons who will articulate the Region's positions in the EU, WTO and other related fora in support of the maintenance of the EU Most Favoured Nation tariff at a level that would enable the Region to continue exporting profitably to the EU markets.

Heads agreed that the Prime Ministers of the Banana producing States should meet as a matter of urgency to address both the developments in the trading arrangements being considered in the WTO, as well as the emerging situations regarding the way that marketing arrangements were evolving in the region. This Meeting would be coordinated by Prime Minister the Dr. the Hon. Ralph Gonsalves, the Lead Prime Minister on Bananas. It was further agreed that a statement on the position of the region with respect to the resolution of the bananas in relation to the conclusion the Doha Development Agenda negotiations should be one of the outcomes of this meeting. It was also agreed that the OECS Banana Producing States should be represented at a mini-Ministerial on Bananas at the Ministerial level planned for Geneva.



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SUPREME COURT

The Authority welcomed the new Chief Justice to his first meeting and congratulated him on his elevation to this new position. The Meeting received a presentation from the Chief Justice which essentially considered:

1. The budget of the ECSC for the Financial Year 2008/2009
2. The agreement for the integration of the magistracy more fully into the judiciary
3. The Trust Fund from which to finance the court
4. The Halls of Justice Feasibility Plan
5. Provision of Security for Judges, Magistrates, and Staff of the Court.

The Authority approved the budget of the Court. Heads also approved the agreement for the integration of the Magistracy in principle. However, the Authority asked the Court, the OECS Secretariat, and Attorneys General and draft-persons to re-consider the provisions made in the Draft Agreement for Salaries and Pensions of Magistrates and for the coming into effect of the Agreement.

The Authority expressed a desire to move to the Trust Fund financing arrangement but said that this is a work in progress and further study would be necessary. The issue of funding for the construction of “Halls of Justice” was an area of great interest to the Authority and an action plan was articulated to move the activity forward.

The Authority approved of the Minimum Security Standards for the judges residence, magistrates residence, and the court rooms / court houses. Heads gave an undertaking to move to implement them immediately. They further noted that these were the minimum standards.

REPORT FROM LEGAL UNIT

Update on OECS Competition Commission

The Authority noted the progress to date on the implementation of the Community competition policy in the OECS Member States.

The Authority agreed to urged their Legal Departments to work expeditiously on arrangements for the early establishment of the Eastern Caribbean Competition Commission which will serve as the national competition authority of OECS Member States.



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DATE AND VENUE FOR NEXT MEETING

The Authority agreed that the 48th Meeting of the Authority will be held in Montserrat, on the 20th and 21st November 2008.