

ORGANISATION OF EASTERN CARIBBEAN STATES

COMMUNIQUE

48TH Meeting of the OECS Authority

19th to 21st November 2008

**Montserrat Cultural Centre
Little Bay
Montserrat**

INTRODUCTION

The 48th Meeting of the Authority of the Organisation of Eastern Caribbean States (OECS) was held on the 19th to 21st November at the Montserrat Cultural Centre, Little Bay, Montserrat, under the chairmanship of the Prime Minister of Grenada, Hon. Tillman Thomas.

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

Hon. Baldwin Spencer, Prime Minister of Antigua and Barbuda
Hon. Roosevelt Skerrit, Prime Minister of Dominica
Hon. Tillman Thomas, Prime Minister of Grenada and Chairman of the OECS Authority
Hon. Dr. Lowell Lewis, Chief Minister of Montserrat
Hon. Joseph Parry, representing the Prime Minister of St. Kitts and Nevis
Ambassador June Soomer, representing the Prime Minister of St. Lucia
Hon. Dr. Jerrol Thompson, representing the Prime Minister of St. Vincent and the Grenadines
Hon. Elvis Harrigan, representing the Premier of the British Virgin Islands

Also in attendance, representing a regional institution was:

Sir Dwight Venner, Governor of the Eastern Caribbean Central Bank

OPENING CEREMONY

The Opening Ceremony was addressed by the host Chief Minister Dr. Lowell Lewis, OECS Director General Dr. Len Ishmael, and the OECS Chairman, Hon. Tillman Thomas.

In his welcome address, the Chief Minister Hon. Dr. Lowell Lewis expressed pride in Montserrat's participation in regional integration initiatives, pointing to the island's full membership of the OECS as an original signatory to the Treaty of Basseterre. Dr. Lewis made reference to the downturn in the global economy and expressed the hope that the OECS Member States, continuing to work together could avoid the worst of the crisis.

The Director General, in her address, stressed the importance of an effective and efficient use of resources, as provided for in the OECS integration arrangements, as a response to the current global turbulence occasioned by the financial crisis, the bursting of the US housing bubble and rising food prices. Dr. Ishmael recommended that the continued social and economic development of the OECS be sustained by a rigorous commitment to the timetable for achieving an OECS Economic Union. She further emphasised the importance of reviewing, reestablishing and re-polishing old relationships and alliances; She stressed the importance of identifying alliances and prospects for future partnerships at the regional level strategically; and continuing advocacy and championing of OECS interests aggressively.

The OECS Chairman, Hon. Tillman Thomas highlighted the impressive success story of OECS functional cooperation, whose major elements include the single currency and Central Bank, single judiciary, telecommunications and civil aviation regulatory bodies, joint procurement of pharmaceuticals, joint overseas representation and reform of the education system. Prime Minister Thomas felt that this impressive record of functional cooperation should embolden the OECS to engage in wider regional integration initiatives, such as the proposed OECS Trinidad and Tobago model.

SECRETARIAT MATTERS

Status of Finances

Heads of Government reviewed the financial status of the Secretariat and renewed their commitment to meeting their financial obligations in a timely manner. The Meeting mandated the Secretariat to seek the assistance of the Caribbean Development Bank to help formulate a financing mechanism which draws on the model employed for financing the Caribbean Court of Justice (CCJ).

Heads of Government also reviewed the financial status of the Pharmaceutical Procurement Services (PPS) which has brought Member States reductions of 20 – 30 percent on the unit cost of medical products through joint procurement. The Meeting noted the importance of Member States ensuring currency in their payments to the facility.

New Salary Revisions

Heads of Government noted the commencement of the 'roll out' of revised salaries for staff as approved at the last meeting of the Authority. They further noted the

recommendation of the budget committee that a market analysis should be done every two years to ensure the Secretariat's salary scales remain appropriately pegged within the region.

Update on New Headquarters

The Authority received an update on plans for the construction of a new OECS Headquarters in St. Lucia to be financed with grant funds offered by the Government of Venezuela.

Staff Rules and Regulations

The Authority noted and approved new staff rules governing the management of OECS staff.

Preparations for Strategic Operating Review

The Meeting was updated on changes which have accompanied the restructuring process at the Secretariat over the period 2003-2008. Heads of Government noted the valuable contribution of CIDA, under the ISP Project, to this process and its contribution of financial resources to the next phase of the exercise. Heads of Government endorsed the proposal to undertake a comprehensive review of current and future manpower requirements at the Secretariat with a view to developing an appropriate Manpower Plan to support the future development of the Organisation.

ECONOMIC UNION

Report of OECS Sub-Committee

The Authority was updated on a meeting of the OECS Sub-Committee on OECS Economic Union held on 23rd October in St. Kitts and Nevis which focused on the status of Economic Union implementation in Member States, and the initiative to deepen and widen the scope of economic and political integration between the OECS and Trinidad and Tobago. The Authority welcomed the information provided to that meeting by Member States on public consultations on the Economic Union in their respective countries. Heads of Government further noted the commissioning, by the Secretariat, of a comprehensive study on the initiative to merge the economies of the OECS and Trinidad and Tobago.

The Authority directed, after extensive discussions, that in moving forward with the Economic Union process:

- The establishment of Technical Working Groups is dealt with urgently

- Member States should undertake to meet the costs associated with the participation of their respective Representatives in the activities of the Technical Working Groups
- The Director General and the Chairman of the Economic Union Task Force should meet to set up mechanisms, establish timelines and determine sources of funding
- The Secretariat should review the work programme of the Integration Unit to determine if there is need for increased capacity
- The BVI should be included in the various aspects of the consultation process, even though, at this time, it does not expect to be fully involved in all elements of the Economic Union
- Heads of Government of the six independent Member States should engage the non-independent Member States as a matter of urgency on how they could relate to the Economic Union, and
- Member Governments should use their best endeavors to engage with third parties to mobilize financial support for the Economic Union initiative

Report on Interaction: OECS Heads and the Prime Minister of Trinidad and Tobago

The Authority was updated on a Meeting held between OECS Heads of Government and the Prime Minister of Trinidad and Tobago on October 23rd 2008, in St. Kitts/Nevis at which deeper economic and political integration was discussed.

The Authority noted the decisions arising from those discussions on the key elements that will guide the way forward, namely that:

- The OECS will vigorously continue the processes it is now engaged in to successfully establish the Economic Union;
- The OECS and Trinidad and Tobago agree to continue their commitment to move towards an Economic Union among themselves;
- OECS Member States also commit themselves to pursue appropriate political integration with Trinidad and Tobago in a form to be determined;
- The OECS welcomes the establishment of a Project Team by Trinidad and Tobago, and agrees to engage this Team in a consultative process to facilitate the Team with the carrying out of its mandate, and
- Further encounters between the two groups will be arranged as and when needed.

Public Awareness Campaign

The Authority received and endorsed an enhanced public awareness campaign programme presented by the Secretariat in support of the OECS Economic Union consultation exercise, with specific elements directed at the various audiences across the OECS region.

The Meeting noted plans for the use of social networking platforms – including Face Book, My Space and You Tube; a new, more interactive Our OECS website, a music contest directed at entertainers, and an animated film series.

Report of the Economic Union Task Force

The Authority was updated by the Task Force Chairman on progress made to date on the establishment of the Economic Union. The Meeting noted the launch of public consultations in four Member States, namely Montserrat, Dominica, St. Vincent and the Grenadines and St. Lucia. It further welcomed the announcement by the Prime Minister of Grenada that his country will launch its public consultations in January 2009.

The Meeting welcomed the recommendation that the establishment of a national task force, as was done in St. Lucia, be seen as a best practice to ensure the involvement of civil society at all stages of the process and to facilitate vigorous public discussions.

The Meeting encouraged Member States, which have not yet done so, to establish Units in the Prime Ministers'/Chief Ministers' Offices with specific responsibility for regional integration matters, along the lines of those established in Dominica, St. Lucia and St. Vincent and the Grenadines.

Terms of reference for Study on the Proposed OECS/Trinidad and Tobago Economic Merger

The Authority endorsed the contents of the Terms of Reference for a study entitled “An Analysis of the potential for integration between the Member States of the Organisation of Eastern Caribbean States (OECS) and Trinidad and Tobago”.

The Meeting urged Member States to forward to the Secretariat the names of their respective nominees to serve on the Technical Working Group which will work with the Secretariat in reviewing the study and providing inputs to the process as necessary. This group will also review the report of the Project Team, headed by Dr. Vaughn Lewis and Ambassador Cuthbert Joseph, and, provide technical advice to the Authority regarding the way forward.

The Authority welcomed the pronouncement that the first draft of the study should be ready by December 2008.

GEOPOLITICAL/INTERNATIONAL RELATIONS

Memorandum of Understanding with Spain

The Authority noted the signing of a Memorandum of Understanding between the OECS and the Ambassador of Spain on behalf of the Spanish Diplomatic School on 6th October 2008 and welcomed the offer by the Director of the Diplomatic School to make two

post-graduate scholarships available yearly to suitably qualified personnel from the OECS. Heads of Government also noted the interest expressed by Spain to consider accreditation of Spain at the regional level and welcomed the efforts on the part of Spain to develop closer relations with the OECS.

Memorandum of Understanding with University of Puerto Rico

The Authority noted the provisions of the Collaborative Agreement established between the OECS and the University of Puerto Rico in May 2008 which has as a first step, the development of a Study Programme to strengthen cultural understanding and educational exchanges and growth between the two parties. The Programme will allow OECS Nationals to:

- Pursue an academic degree in any field of study on any campus of the University of Puerto Rico and be accorded the same status as Puerto Rican students;
- Make payments for tuition, accommodation and health insurance at the same amount set for Puerto Rican students and,
- Obtain full scholarships to pursue studies at the University based on availability of places and a predetermined selection criteria.

The Meeting endorsed the next steps required to operationalise the Study Programme by September 2009 to ensure, inter alia, the enrollment of the first batch of students in the Study Programme at the 2009/10 academic year.

Procedures of Accreditation

The Authority noted the increase in the numbers of requests from countries to the OECS Secretariat for its policy on accreditation and approved the accreditation procedures presented by the Secretariat.

ECONOMIC/TRADE ISSUES

Preparation for CARICOM/CANADA Trade Negotiations: OECS Perspective

The Meeting received an update on OECS preparations for upcoming CARICOM/Canada Trade Negotiations, including the commissioning of a consultancy to prepare a Strategy and Approach to Bilateral Trade Negotiations with particular emphasis on the CARICOM Canada negotiations. The Secretariat convened Technical Working Group and Ministers of Trade meetings to examine issues arising from the report.

Heads of Government endorsed the OECS Strategy and Approach agreed to by the Trade Ministers. They agreed that Special and Differential Treatment accorded to the OECS, as enshrined in the Treaty of Chaguaramas, should be safeguarded during the CARICOM/Canada negotiations.

The Heads of Government also agreed that the OECS should adopt common positions during the negotiations and to this end utilize the existing harmonized services offer prepared by the Secretariat.

The Meeting agreed that the benefits of the Migration and Guest Worker Programmes, implemented by the Government of Canada should be preserved during the CARICOM/Canada negotiations

The Authority agreed that Member States will allocate the necessary technical and financial resources to support the process, and Member States will ensure that OECS skills and expertise are well represented in the College of Negotiators.

The Authority agreed that the Meeting should send a strong signal that it expects to see OECS nationals included in key positions on the mechanisms involved in the negotiating process.

Implementation of the CARIFORUM-EU Economic Partnership Agreement

The Meeting discussed priority action steps required by Member States to bring the recently signed Economic Partnership Agreement between CARIFORUM countries and the European Union into effect, and to create the operating environment for the private sector to take advantage of opportunities in the European Union market and effectively compete in the regional market.

Heads of Government noted the legal and institutional issues requiring priority attention and action by OECS public sector officials and the private sector and welcomed the offer of assistance by the Secretariat.

Heads of Government also agreed to take the required and recommended actions to address the issues, with particular focus on the tasks of:

- Creating the EPA Coordinating and Implementing Unit and developing a cost estimate for EPA implementation
- Identifying priority areas for EPA funding
- Enacting safeguard legislation
- Developing mechanisms to help the private sector to compete under EPA, and
- Determining the modalities for negotiating market access for services with the Dominican Republic

Heads of Government agreed to direct the appropriate authorities to adopt a harmonized approach to and collaborate on implementation of customs procedures and safeguard measures.

MACROECONOMIC DEVELOPMENT

Development Strategy: Update on Preparatory Work

The Authority endorsed the proposed next steps towards a Revised OECS Development Strategy and mandated the OECS Secretariat to reactivate the Economic Affairs Committee which is required to provide policy guidance and oversight to the process of revision of the OECS Development Strategy.

Electronic Government for Regional Integration Project [E-GRIP]: Implementation Arrangements

The Authority noted the progress made towards implementation of the OECS E—GRIP project. Heads endorsed the efforts of the Secretariat at securing additional financial resources, including grant resources from the Caribbean Development Bank, to enable participation of all OECS Member States in the project, and not just World Bank IDA-eligible countries.

Heads of Government mandated the Secretariat to develop an OECS policy on ICT and E-government, consistent with the agreed CARICOM policy, and to that end convene a Special Meeting of OECS Ministers responsible for national ICT and E-government policies and strategies, to provide policy guidance on the development and coordination of ICT and E-government development initiatives across the OECS region.

SOCIAL AND SUSTAINABLE DEVELOPMENT

Biodiversity Management Investments in Member States a) OPAAL, b) PERB Projects

The Authority noted the progress made to date on two projects which have been assisting Member States to protect the region's rich biodiversity while creating sustainable livelihoods in the protected areas, namely the OECS Protected Areas and Associated Livelihoods [OPAAL] project and Protecting the Eastern Caribbean Region's Biodiversity [PERB] project.

Heads of Government noted that the OPAAL project has among other things legally established four new protected areas, namely;

- Central Forest Range of St. Kitts and Nevis

- The North East Marine Management Area of Antigua and Barbuda
- The Point Sable Environmental Management Area of St. Lucia, and
- The Grand Etang/Annandale National Park in Grenada

Two pre-existing sites have been moved towards active management as OPAAL demonstration sites, namely;

- The Cabrits National Park in Dominica, and
- The Tobago Cays Marine Park in St. Vincent and the Grenadines

Heads of Government further noted the support of the PERB Project for seven sites in five Member States namely:

- Wallings Forest, Antigua
- Codrington Lagoon, Barbuda
- Levera Pond, Grenada
- Sandy Island Oyster Bed Marine Protected Area, Carriacou
- Nevis Peak, Nevis
- Millet Nature Trail, St. Lucia, and
- Kings Hill Forest Reserve, St. Vincent

OECS Disaster Response and Risk Reduction Programme

The Meeting noted the progress made to date in the OECS Disaster Response and Risk Reduction programme and urged Member States to facilitate the necessary in-country support that is required to maximize the programme benefits to Member States.

The Meeting welcomed an update from the Chief Minister of Montserrat on a project to establish a Climate Change Centre through a grant from the regional Petroleum Stabilisation Fund.

Health Issues – a) HIV/AIDS Project b) PPS

The Authority approved the development of a comprehensive OECS Regional HIV/AIDS Programme that will be consistent with the “Three Ones” approach of One Authority, One Plan, and One Mechanism for monitoring and evaluation. Heads further agreed to consider accelerating the decentralization and integration of the management of HIV/AIDS into the national mainstream health systems.

2008 OECS Human Development Report: Status Report

The Authority noted the progress made on the production of the 2008 OECS Human Development Report. Heads of Government noted that a first draft of the report has been submitted by the Lead Author and has been reviewed by the Joint Policy and Technical Committee, and that the report is expected to be launched in April 2009.

The Meeting urged Member States to facilitate the collection by the Secretariat of critical data required to ensure that the Report is an accurate, comprehensive document of high integrity.

Oceans Governance Issues

The Authority noted the progress made to date in the Sustainable Oceans Governance Programme which is aimed at promoting OECS maritime cooperation arrangements as a framework for the sustainable management of ocean resources, and for the protection of the marine environment.

The Meeting urged Member States to provide updated information to the Secretariat with respect to programmes relating to maritime boundary delimitation issues.

ANY OTHER BUSINESS

The Current Status of the Banana Dispute

The Meeting received an update on new challenges facing the marketing of Windward Islands bananas.

DATE AND VENUE OF THE 49TH MEETING OF THE OECS AUTHORITY

The next meeting of the Authority will be held on the 21st and 22nd May at a venue to be confirmed.