



Increasing Economic Resilience to Climate Change and Reducing Reliance on Vulnerable economic sectors, including the economic diversification – THE CASE OF CARICOM

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Longstanding Vision of Regional Cooperation and Integration

1928 Regional Cricket Team to England

1948 Regional University - UCWI

1958 Political Federation (-1962)

1968 Caribbean Free Trade Area (CARIFTA)

1973 Caribbean Community and Common Market

1989 Decision to establish the CSME

The Revised Treaty of Chaguaramas in force

2006 and the basis of the Legal Architecture of CSME

Main Pillars of the Community

1
Economic
Integration
(including
the
CSME)

2
Functional and
Social
Cooperation

3
Foreign Policy
Coordination

With a security underpinning



Governance and Decision Making Structure

The principal Organs of the Community

- (a) the Conference of Heads of Government*
- (b) the Community Council of Ministers*

Principal Organs assisted by the following Organs:

- (a) The Council for Finance and Planning*
- (b) The Council for Trade and Economic Development*
- (c) The Council for Foreign and Community Relations*
- (d) The Council for Human and Social Development*
- (e) The Council for National Security and Law Enforcement*

and serviced by

The CARICOM Secretariat, headed by the Chief Executive Officer (CEO) of the Community, the Secretary General

The CSME

A single enlarged economic space

Macro-economic and sectoral policy coordination

Free movement of goods, services, capital, technology, labour

Functional Cooperation
Manage Disasters
Climate Change
Others

Common external trade policy

Non-discriminatory access to the region's resources & markets for CARICOM nationals

The Single Market

CSME - The Context

In deciding to establish the CARICOM Single Market and Economy (CSME), The Heads of Government noted the

‘need to work expeditiously together to deepen the integration process and strengthen the Caribbean Community in all of its dimensions to respond to the challenges and opportunities presented by the global economy’



Building, out of separate national economies, a single, integrated, globally competitive, modern market economy within an economic space called the CSME

Challenges

Significant geopolitical and geo-strategic shifts

Need to improve standard of living

Imperative of optimizing development potential of the Region

**disaster management, climate change, environment
and natural resources management**

Need for Improved management of the regional resources



Framework

- Greater opportunities for employment, investment, production and trade for Caribbean people
- Competitive products of better quality and prices
- Improved services provided by enterprises and individuals
- Greater opportunity for travel for nationals to study and work in CARICOM countries

Expected Outcomes

- Full employment of labour and other factors of production
- Improved standards of living and work
- Accelerated, co-ordinated and sustained economic development
- Increased economic leverage and effectiveness *visa a vie* other states, groups of states and entities

The CSME facilitates a collective approach to trade and other relations with third countries



- New market opportunities**
- Collective negotiations of trade and other agreements**
- Negotiations to attract new investment and joint ventures**
- Collective defense of economic interests in the global marketplace**

Selected Specialized Institutions and Structures

CARICOM

Caribbean Court of Justice

Caribbean Regional Organisation for Standards and Quality

Regional Accreditation Agency for Education and Training

Competition Commission



Caribbean Agriculture Health and Food Safety Agency

CARICOM Development Fund and Development Agency




CDERA, CCCCC, CMC (CMO and CIMH), CRFM

Caribbean Court of Justice

Two jurisdictions

-  an original jurisdiction
-  an appellate jurisdiction

In its original jurisdiction the court has compulsory and exclusive jurisdiction for the interpretation and application of the Revised Treaty and is tasked with the responsibility to hear and deliver judgments on disputes arising between:

-  contracting parties to the Agreement
-  contracting parties and the Community
-  Community nationals, contracting parties, Community institutions or between national themselves



The Single Market

Single Market Policy Framework is in place

Regimes exist for :

Free intra-CARICOM movement of goods

Intra-CARICOM trade accounts for nearly 20% of merchandise exports and 12% of merchandise imports

Free intra-CARICOM trade in services

Free movement of capital and skills

**Right of establishment
Access to land**

The Single Economy

Main Aspects
{priority on the agenda}

Monetary policy coordination

Financial policy harmonisation

Capital market integration

Fiscal policy coordination and harmonisation

Investment and incentives policy harmonisation



Sectoral policy harmonisation - industry, agriculture, tourism, transport and other services

The Human Face of the CSME

The CSME is anchored in the skills, abilities, attitudes, perceptions, motivations and expectations of people

The extent to which the provisions translate into real opportunities depends on the adequate development of our Human Resources

Key Desired Outputs

-  **An informed public which understands and supports the CSME and participates actively in the CSME**
-  **Stronger sense of Community and greater social cohesion**



Addressing Climate Change in CARICOM

Climate Change is recognized as a major Challenge to the survival of CARICOM

2002 Heads of Government took decision to establish CCCCC

2004 CCCCC Became Operational

Elements of Regional CC Agenda

- Building Awareness and Strengthening Knowledge base thru CPACC {enhancing capability}
- Creating an enabling environment for Adaptation thru MACC {Building National Policy Framework and Mainstreaming issues}
- Pilot Projects of Adaptation thru SPACC {Focused Implementation}
- Draft Regional Strategy on Climate Change { Plan of Action, Resource Mobilization Strategy}



Regional Climate Change Strategy {expectations}

Programmatic Approach ---Priorities Established and Coordinated , Strategic Partnerships Established

Institutional Capacity Enhanced: Modeling and Monitoring Capacity Strengthened; Analytical tools developed and utilized

Management capacity to design and implement Regional Strategy

Virtual Network Established with CDERA,CIMH,UWI and Others

Strategic Science Information Data base and System established to inform Policy

Development of Effective Public Awareness and Education Program



Work in progress in the Region

Repositioning of the CMO and CIMH to provide a effective information and other services to the Region to address climate vulnerability and change <recent upgrading of regional meteorological stations to enhance networking

CDERA actions in spearheading the adoption of a strategic framework for Comprehensive Disaster Management (CDM) in the Caribbean. The objective of the CDM is the integration of disaster management issues into development plans and decision making processes

Presently the CDM results based work programme focuses on 4 priority areas: regional and national institutional strengthen, development of knowledge base systems, mainstreaming of DM knowledge in key sectors

Work in Progress in the Region (Cont'd)

ARICOM

The Caribbean Catastrophe Risk Insurance Facility established under the coordination of the World Bank to provide Member States with index-based insurance against government losses caused by natural disasters still evolving.

Energy is fully recognized in the Caribbean as major driver for economic growth, development and increased international competitiveness. This is sector seen as one to provide an “early Harvest” to be reaped from the integration process based on the available technical work already done in the region, particularly with regard to renewable energy.

A Regional Task Force on Energy mandated by the Heads of Government in 2007 developed a Draft Regional Energy Strategy which is being fine-tuned by the regional technical working group to address some outstanding issues before finalization.



Work in Progress in the Region (Cont'd)

The on-going energy work programme in the region has been to facilitate national energy policy and strategies in an effort to develop a “Regional Energy Road Map”

In the tourism and agriculture sectors a number of scoping studies have been completed addressing issues relating to disaster management and the potential impact of climate Change. Most of these studies have indicated generally that both sectors are high-climate sensitive economic sectors. However, both sectors have a relatively high climate change adaptative capacity.

As a region of small island and low-lying coastal developing states the region is still confronted with a number of capacity constraints arising from the structural vulnerabilities that have beset the region historically and trade offs have to be made in address policy issues

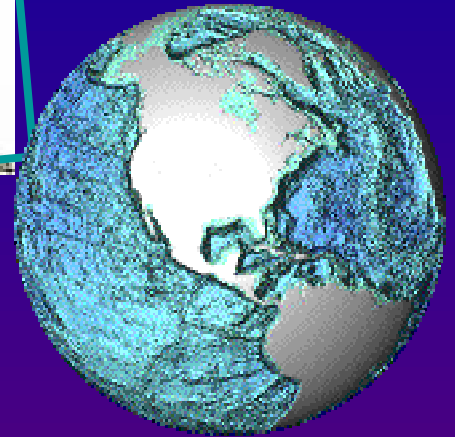
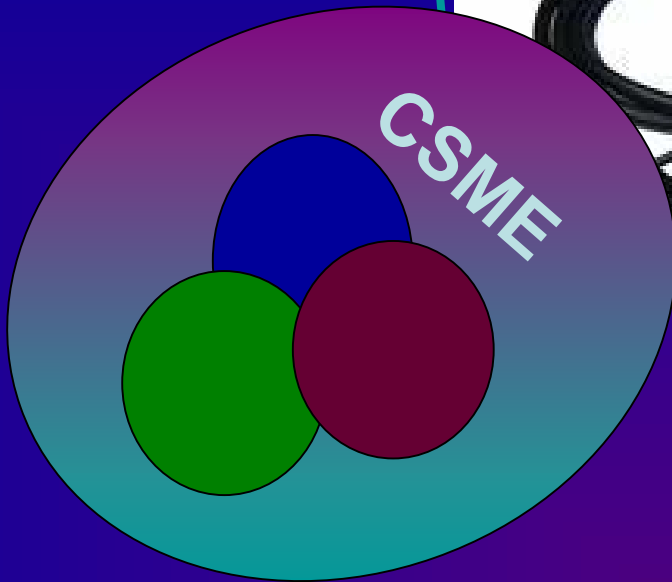
Establishment of a CARICOM Development Fund

Operationalization of the CARICOM Development Fund to be complemented with the establishment of a Regional Development Agency (RDA)

Purpose: - to identify and mobilize technical assistance, *“to assist disadvantaged countries, regions and sectors towards becoming economically viable and competitive by appropriate interventions of a transitional or temporary nature”*

Proposals for the establishment of the Agency currently being elaborated

Agency expected to become operational within the next year



The CSME - providing a platform and enabling environment for a more effective interface with the global economy and address the region's vulnerabilities

Strategic Partnerships

The survival of the region in addressing the challenges of climate change and others issue of its vulnerability is contingent on the development and maintenance of strategic partnerships among governments, institutions, civil society, the private sector, IFIs and development partners

Strategic Partnerships - 2

The Community values highly, the mutually beneficial partnerships in which it is engaged with the partners present today and looks forward to maintaining and strengthening these partnerships in order to ensure that the potential benefits of the regional integration become a reality for citizens of the Community

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Thank You