



ORGANISATION OF EASTERN CARIBBEAN STATES

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COMMUNIQUE

Fiftieth Meeting of the
OECS Authority

CuisinArt Resort and Spa
West End, Anguilla
18-20 November 2009

New Treaty establishing an Economic Union to be signed on 29th December 2009

INTRODUCTION

At the Fiftieth Meeting of the OECS Authority convened in Anguilla at the CuisinArt Resort & Spa, the region's leaders declared their resolve to work to preserve the progress made by the sub-regional body since its establishment in 1981.

Member States were represented by their Heads of Government, with the exception of the Commonwealth of Dominica and St. Vincent and the Grenadines whose delegations were led by their respective Ambassadors to the OECS.

The Meeting was held on the eve of the planned signing of a new Treaty for an Economic Union of the Member States this December which will, in effect, supersede the original Treaty of Basseterre which brought the organization into being on 18th June 1981. It also comes at a time when the region is reeling from the effects of the global economic crisis which has adversely impacted the OECS economies.

OPENING CEREMONY

The formal Opening Ceremony, which took place on the evening of November 18, was attended by regional luminaries including former Jamaica Prime Minister, Hon. P.J. Patterson, former Commonwealth Secretary General, Sir Shridath Ramphal, the Chief Justice of the Eastern Caribbean Supreme Court, the Governor of the Eastern Caribbean Central Bank, and the Ambassadors of Mexico and Spain to the OECS, among others.

During the ceremony the Members paid glowing tribute to Chief Minister Osborne Fleming of Anguilla who demits office early next year - making this 50th meeting of the Authority, the last for the Chief Minister, whose political career spans a period of more than twenty-nine years. The Opening Ceremony was addressed by the Director General of the OECS; the host, the Chief Minister of Anguilla; the newly appointed Chief Minister of Montserrat; and the Chairman of the Authority. In her remarks, Director General of the OECS, Dr. Len Ishmael commented on the historic significance of the occasion as plans were being finalized to sign a new treaty leading to an Economic Union.

Chief Minister of Montserrat, Honorable Reuben Meade, renewed his commitment to the OECS, and welcomed the opportunity afforded him to work with his colleagues collectively in advancing the interests of the OECS.

Chief Minister of Anguilla, Honourable Osborne Fleming described the OECS as a vibrant group of islands bound by history, tradition, economy and governance systems that allow the group to function as one entity while at the same time, preserving their individual uniqueness.

Honorable Denzil Douglas, Prime Minister of the Federation of St. Kitts and Nevis outlined the many achievements of the OECS since its establishment and exhorted that the story of the Organisation needs to be heralded.

The deliberations of Day One of the Meeting of the Authority acknowledged the substantial strides towards regional integration already made during the past two and a half decades since the OECS was established, and emphasized that the foundation of a fully integrated sub-region has already been firmly laid with such institutions as the Eastern Caribbean Central Bank, the Eastern Caribbean Supreme Court, the Eastern Caribbean Telecommunications Regulatory Authority, and the Eastern Caribbean Civil Aviation Authority, among others.

The deliberations also acknowledged the enormous strides made by the Organisation as a result of its 'outward' orientation towards the rest of the world.

ECONOMIC UNION

The Meeting re-affirmed Members' commitment to the signing of the new Treaty for an Economic Union as scheduled, by the end of 2009 and the date of 29th December has been set. The Treaty would be expected to come into effect in June 2010 – the commencement of the 30th Anniversary year of the precursor Treaty of Basseterre.

A status report on progress towards the realization of the Economic Union, with updates on the ongoing work program was considered. Matters such as free circulation of goods, exercise of Rights of Establishment by OECS nationals, and travel facilitation emerged as key focus areas of the two Working Groups: “Movement of People” and “Justice, Law and Order”, set up by the Authority to examine various areas which will require further review and concerted continuous action in preparation for an Economic Union. Among the matters under review are those of harmonization of Immigration Laws, Labor Laws, the matter of free movement of OECS nationals and related integration of the Social Security systems among the Member States to permit transfer or portability of benefits accrued across the region.

The Authority decided that the Member States will sign the new Treaty establishing the Economic Union in Basseterre, St. Kitts and Nevis. This will be preceded by a Special Meeting of the Authority to consider the treatment of the recommendations on the Draft Treaty arising from the public consultation process.

STRATEGIC RESPONSE TO THE FINANCIAL CRISIS

The Authority endorsed the Eight Point Stabilization and Growth Programme for the region, agreed to by the Monetary Council of the Eastern Caribbean Currency Union (ECCU), in response to the global economic crisis and its negative impact on the region’s financial sector and agreed to accelerate the implementation of adjustment measures under the programme through appropriate financial programmes, fiscal reform and enhanced Debt Management.

The efforts of the Monetary Council to resolve the issues arising from the difficulties experienced by British American Insurance Company were also supported by the Authority.

Among the matters identified as being critical to a successful response to the crisis, were the need for co-ordination of policies within and between countries and for increasing capacity of critical policy-making agencies within the public service. The Meeting agreed that Member States should make every effort to ensure that these issues of coordination and capacity-building were addressed.

OVERVIEW OF SECRETARIAT’S STATISTICS INITIATIVES AND LAUNCH OF OECSINFO

The Secretariat provided an overview of its various statistical development initiatives, which are designed to help address existing deficiencies in the availability, accuracy, timeliness, comparability and accessibility of statistics on key social and economic indicators in the OECS, in support of the

thrust towards Economic Union and the broader OECS development agenda. The Authority endorsed this regional programme of statistical development work, and in that regard particularly welcomed the launch of OECSInfo, a regional database system that provides for the storage of time series data across a broad range of social and economic statistics.

The Authority made a commitment to provide the support needed at the national level to ensure that the OECSInfo database would be populated on an ongoing basis, and in support of that undertaking, mandated the OECS Secretariat to explore tertiary-level training opportunities and cross-country attachments for OECS statisticians, to stimulate renewed interest in the field, upgrade the quality of these professionals in the OECS, and enhance their level of retention in the public service.

OECS WORK PROGRAM ON DEVELOPMENT

The Authority Meeting considered the range of programs being pursued by the OECS including response measures designed to counteract the impact of the most severe economic crisis facing the region i.e. the financial crisis in the developed countries and its spillover effects in the region. The meeting accepted the approach being pursued by the OECS Secretariat to the formulation of a new Development Strategic Framework to be concluded by the end of 2010.

Sector Reports outlining the work programs for Agriculture, Tourism, Support to the Private Sector, Education, Energy and a Regional Social Safety Protection Strategy were considered. The Authority endorsed the direction set out for further progress in these sectors which are seen as critical to the region's recovery and long term economic development prospects.

The meeting directed that the Transportation sector of the OECS be also included as a priority sector for attention, as part of the response strategy being pursued, given the Organization's involvement in co-ordinating development initiatives in that sector.

In Agriculture, modernization of the sector was acknowledged to be a key factor to enhance productivity, add value and increase competitiveness. The role of the regional education system in generating a new cadre of persons trained in modern agricultural science was acknowledged by the meeting as pivotal to the transformation required in agricultural production methods for the future sustainability of OECS agriculture.

The Authority instructed the Secretariat to convene an early meeting of key stakeholders in agriculture in both the public and private sectors, to refine the proposed action plan and to accelerate implementation.

Tourism, the lead sector of the OECS, has been significantly impacted by the fallout from the financial crisis. Member States as a result experienced a decline in the growth rate of the tourism sector, as well as their GDP for this year. The Meeting was apprised of the outlook for 2010 which predicts a slower rate of decline in tourism for 2010, and recovery in 2011 and 2012, which will restore the position of the OECS tourism industry (and its contribution to GDP) to the levels that obtained in 2005, i.e. well before the crisis.

The Authority endorsed the Updated OECS Development Mandate for the Tourism Sector arising out of the September 9, 2009 videoconference meeting of the OECS Council of Tourism Ministers and the realignment of the OECS Tourism Work Program. Among these are the mandates to propose enhanced measures to facilitate travel within the OECS; implementation of a hospitality worker exchange program with Canada and a common OECS clearance procedure for yachts sailing the region's waters.

The Meeting also urged the need for joint marketing efforts and a renewed focus on the yachting industry among the Member States, as a part of the tourism recovery strategy.

The Education sector was a focal point of the discussions on the work program. It was stressed that the output of this sector cuts across all other sectors highlighted in the region's work program. The meeting deliberated on the challenge faced by Members to modernize the delivery of education services in the region, in order to make these more responsive to the needs of today's student population, given their technological orientation.

In addition to endorsing the priority areas of the work program outlined by the Secretariat, the Authority directed that an OECS Education Commission be established by the Secretariat to examine ways to accelerate the transformation of the education system in the subregion. In addition, the meeting directed that a review be conducted of the impact of the OECS Education Reform Programme and projects with a view to their continuation and that donor support be pursued to undertake this.

INTERNATIONAL RELATIONS

The Meeting received an update on the strides in International Relations being made by the OECS with initiatives of functional co-operation with non-traditional partners led by the Secretariat in keeping with an earlier mandate from the Authority for a more outward looking and proactive foreign relations agenda to heighten the profile of the sub-region in international capitals.

The meeting was apprised of the outcomes of the Secretariat's explorations with officials in the capitals of South East Asia including South Korea, Japan and Taiwan, and in Austria, Finland and Norway. The meeting was also apprised of progress being made on the development of an OECS School of Diplomacy with support from the Kingdom of Spain.

The Authority noted the tremendous progress being made in profiling the OECS in foreign capitals and endorsed the approach being taken by the Secretariat in these matters. The Heads confirmed the desirability of working towards a harmonized approach to International Relations. The Meeting recognized that for several years now the OECS has been engaged in a more "outward" orientation and is fully engaged in seeking opportunities in support of the development agenda of this region, and indicated that this strategy must be continued. The meeting received the invitation by the Government of Austria to open a joint OECS Mission in Vienna and mandated the Secretariat to pursue this initiative, noting the potential which exist for other countries such as Norway to support such an initiative.

The Meeting commended the Secretariat for the progress made thus far with regard to the establishment of the School of Diplomacy and mandated the Secretariat to pursue other efforts considered necessary to realize the full institutionalization of the OECS School of Diplomacy.

The meeting received a presentation by an international architect engaged by the OECS Secretariat with assistance from the Kingdom of Spain on preliminary design concepts for a proposed new OECS Secretariat. These were favourably received and the Authority agreed that the OECS Secretariat should continue to work on the further elaboration of the design proposal for its new Headquarters with the goal of having a Ground Breaking in June 2010 in Saint Lucia.

A presentation was also made by the Delegation of Antigua and Barbuda on a proposed modern medical facility in Oncology being considered to serve the sub region.

The Meeting agreed that Member States would consider this proposal further.

SECURITY AND CRIME

These matters came up for extensive deliberations at the meeting. The Authority declared as follows:

1. Heads are concerned about the upsurge of crime and drugs especially that involving youth.
2. Heads have agreed to host a special meeting early next year to treat issues specific to a regional approach to this matter, including also regionalization of the police forces.

3. Heads look forward to the proposed assessment mission by the United Nations Office on Drugs and Crime from 3-4 December, 2009. The objective of this mission is to design a project for the OECS to help respond to issues involving crime and drugs.

OECS ELECTRONIC GOVERNMENT FOR REGIONAL INTEGRATION (EGRIP)

The meeting received an update on the progress that has been made towards implementation of the EGRIP Project.

The Meeting mandated the Secretariat to establish an OECS ICT Ministerial Council to meet twice annually, to provide policy guidance on the development and co-ordination of ICT and E-Government development initiatives in the OECS.

CARICOM-CANADA TRADE & DEVELOPMENT AGREEMENT

The Meeting received an update on the status of the negotiations with Canada on proposals for a Trade and Development Agreement with CARICOM. This has progressed satisfactorily and both sides have presented their areas for further review and development.

The Authority endorsed the approach being proposed by the Secretariat to advance the negotiations, and agreed to recommend to CARICOM, a further review of the elements to be addressed in the negotiations.

INTERNATIONAL FINANCIAL SERVICES

With respect to the International Financial Services Sector, the issues facing the OECS were deliberated upon and note was taken of the new developments stemming from the outcome of the OECD and G20 Summits and the requirements for international compliance set out by the OECD. It was agreed that OECS Member States would adopt a regional approach to responding to the critical issues facing the sector. It was also agreed that all OECS Member States should become part of the Global Forum on Transparency and Exchange of Information for tax purposes.

OTHER BUSINESS

June 18, 2010 was fixed as the date for the 51st meeting of the OECS Authority. This will be held in Saint Lucia, and will mark the formal Inauguration of the OECS Economic Union.

The Valley, Anguilla, 20th November 2009