CSME – AMERICAN CHAMBER OF COMMERCE
NOVEMBER 10TH, 2004

SALUTATIONS –

I AM DEEPLY HONOURED TO ACCEPT THE AMERICAN CHAMBER'S INVITATION TO SHARE A FEW WORDS THIS MORNING WITH SUCH A DISTINGUISHED PANEL OF SPEAKERS ON A MANUFACTURING PERSPECTIVE OF THE CSME. I PROMISE THAT THE TIMEKEEPER WILL HAVE NO PROBLEM WITH MY PRESENTATION THIS MORNING!

LADIES AND GENTLEMEN, THE PLAIN AND SIMPLE TRUTH IS THAT MANUFACTURERS HAVE BEEN OPERATING FOR SOME TIME WITHIN A SINGLE MARKET FRAMEWORK AND HAVE MANAGED TO COPE WITH ALL IMPEDIMENTS TO TRADE. THE CSME WHEN FULLY IMPLEMENTED WILL PERMIT THE FREE MOVEMENT AMONG CARICOM STATES OF GOODS, SERVICES, PEOPLE AND CAPITAL;… ALL THE NECESSARY INGREDIENTS TO PERMIT THE DEVELOPMENT AND PROMOTION OF BUSINESS ACROSS BORDERS.

WE ACKNOWLEDGE THAT THERE ARE STILL SOME BARRIERS TO BE REMOVED WITH RESPECT TO TRADE IN GOODS AND MEMBERS STATES HAVE COMMITTED TO THEIR REMOVAL WITHIN A TIME FRAME IN KEEPING WITH THE IMPLEMENTATION OF THE CSME OR CSM.

IN ORDER FOR THE C.S.M.E TO WORK FOR THE REGION'S PRIVATE SECTOR, PROPER IMPLEMENTATION IS REQUIRED, AND I WILL NOT HIDE FROM YOU THE FACT THAT THERE ARE MOUNTING CONCERNS BY MANUFACTURERS AS TO WHAT PROPER IMPLEMENTATION WILL MEAN PARTICULARLY WITH REGARD TO TIMELINES AND INTEGRATION WITH OTHER REGIONAL AND HEMISPHERIC TRADE AGREEMENTS. THE CSME WORK PROGRAM OUTLINES SEVEN (7) COMPONENTS, ALL OF WHICH MUST INVOLVE PRIVATE SECTOR FACILITATION IN ORDER TO ENSURE EFFECTIVE IMPLEMENTATION OF THE SINGLE MARKET & ECONOMY. AS A MATTER OF FACT ABOUT TEN (10) DAYS AGO, A MEETING OF THE REGIONAL MANUFACTURERS WAS HELD AT WHICH THESE COMPONENTS WERE DISCUSSED AND IF YOU WOULD PERMIT, I WOULD LIKE TO BEGIN BY BRIEFLY SHARING SOME OF OUR VIEWS WITH YOU.

FIRSTLY, THE EXTENSION AND COMPLETION OF THE LEGAL AND INSTITUTIONAL FRAMEWORK MUST TAKE INTO CONSIDERATION THE MANUFACTURING SECTOR'S STRUCTURES AND PROCEDURES INCLUDING GUIDELINES FOR THE ADOPTION OF AUTONOMOUS FINANCING POLICIES TO LEND SUPPORT TO OUR REGIONAL MANUFACTURING BASE. THIS OF COURSE INCLUDES, BUT IS NOT LIMITED TO THE IMPLEMENTATION OF THE

CARIBBEAN COURT OF JUSTICE (CCJ). ALSO FOCUS ON THE TELECOMS AND TRANSPORTATION SECTORS, AND ON CAPACITY BUILDING SUCH AS THE STRENGTHENING OF TRADE REMEDIES RELATING TO DUMPED AND SUBSIDIZED GOODS.

ON THE COMPONENT DEALING WITH MACRO-ECONOMIC AND SECTORAL POLICIES COORDINATION, THERE IS NEED FOR BUILDING MEASURES THAT CAN ALLOW MANUFACTURERS TO EASILY GROW INTO THE SMALL AND MEDIUM-SIZED ENTERPRISE SECTOR. UNDER COMPONENT FOUR (4), DEVELOPMENT AND IMPLEMENTATION OF BUSINESS FACILITATION MEASURES, SOME OF THE CONCERNS THAT MANUFACTURERS HAVE LODGED INCLUDED THE EXISTENCE OF BODIES SUCH AS CROSQ WHICH NEED TO BE OPERATING AT FULL CAPACITY,

THE EFFECTIVE FACILITATION OF BUSINESS TRANSACTIONS PARTICULARLY IN RESPECT OF THE FREE FLOW OF CAPITAL, INCREASED PRIVATE SECTOR PARTICIPATION AT REGIONAL EVENTS, THE ALIGNMENT OF REGIONAL CUSTOMS ADMINISTRATIONS AND PROCEDURES AND INCREASED TRANSPARENCY IN THE OPERATIONS OF CUSTOMS.

BEYOND THESE COMPONENTS ARE GENERAL PREVAILING ISSUES SUCH AS AGRICULTURE WHICH IN ALMOST ALL CARICOM COUNTRIES IS A FAIRLY PROTECTED,

SHELTERED AND UNDERDEVELOPED SECTOR, GIVEN ITS ROLE IN ASSISTING IN ACHIEVING NATIONAL FOOD SECURITY. FOR INSTANCE, WITH REGARD TO THE ONGOING DEBATE CONCERNING THE T&T POULTRY INDUSTRY, THE TTMA HAS COMMITTED TO WORKING WITH POULTRY STAKEHOLDERS TOWARDS THE DEVELOPMENT AND SUSTAINABILITY OF THE SECTOR ON THE BASIS OF AFFORDABLE CONSUMER PRICES AND SUSTAINABILITY OF EMPLOYMENT OF THE 12,000 PERSONS INVOLVED IN THE INDUSTRY. THIS INDUSTRY ACCOUNTS FOR OVER 90% OF TOTAL DOMESTIC CONSUMPTION OF CHICKEN, T&T'S PROTEIN STAPLE.

THE TOPIC OF GOVERNMENT PROCUREMENT IS ANOTHER MATTER THAT MUST BE HARMONIZED AT THE REGIONAL LEVEL FOR ADOPTION INTO THE CSME. THIS PROCESS SHOULD IDEALLY TAKE PLACE WHEREBY EACH GOVERNMENT WILL FIRST SEEK TO PROCURE ITS GOODS AND SERVICES REQUIREMENT NATIONALLY THEN REGIONALLY AND FINALLY EXTRA-REGIONALLY. ULTIMATELY WHEN THE CSME BECOMES FULLY OPERATIONAL THERE WILL BE NO DISTINCTION BETWEEN LOCAL AND REGIONAL. FOR THE SMALLER CARICOM STATES, WITH AN INFANT MANUFACTURING BASE THIS COULD BE THE OPPORTUNITY TO BUILD ON THIS PLATFORM AND DEVELOP OTHER AREAS OF COMPARATIVE ADVANTAGE.

THIS IS HOW THE MANUFACTURERS WANT THE CSME TO WORK, RATHER THAN EACH STATE STRIVING INDEPENDENTLY TO SURVIVE WITH RESTRICTED RESOURCES.

LADIES AND GENTLEMEN UNDER THE CSME, THE LIBERALIZED MOVEMENT OF PERSONS IS YET ANOTHER AREA OF CONTENTION. UNDER THIS MECHANISM CERTAIN SKILLED AND PROFESSIONAL PERSONS WILL BE ALLOWED TO TRAVEL AND WORK IN MEMBER STATES OF CARICOM FREE OF RESTRICTION AND WITHOUT THE NEED FOR WORK PERMITS. THE CATEGORIES UNDER IMMEDIATE CONSIDERATION ARE UNIVERSITY GRADUATES, BUSINESS/ MANAGERIAL LEVEL PERSONS, ARTISTES AND MUSICIANS, MEDIA WORKERS AND CULTURE PERSONNEL. THIS FREEDOM OF MOVEMENT IS AN ESSENTIAL REQUIREMENT FOR TRADING IN SERVICES WHICH THE CSME SEEKS TO PROMOTE. WHILE TO SOME THE IMMEDIATE KNEE JERK REACTION IS ONE OF “FOREIGNERS TAKING WE JOBS” IT CERTAINLY IS APPRECIATED THAT PERSONS HAVE A BETTER CHANCE OF SELLING THEIR SKILLS IN A LARGER CARICOM MARKET THAN THEY WOULD IN A SMALLER NATIONAL MARKET IN THE LONGER TERM. BUSINESSES WILL ALSO HAVE A GREATER HUMAN RESOURCE POOL FROM WHICH TO SELECT FOR MANAGERIAL POSITIONS

AND WILL ALSO BENEFIT FROM HIRING PERSONNEL WITH VARYING EXPERIENCES AND CULTURES.

IN ADDITION TO THE FREE MOVEMENT OF PEOPLE, THE REMOVAL OF CAPITAL RESTRICTIONS WOULD LIBERALIZE CAPITAL TRANSFERS AND PRESENT PRODUCERS WITH A BUY-IN APPROACH TO INVESTING IN NEIGHBOURING CARICOM STATES. AS SAID EARLIER, THESE TRANSFERS HAVE ALREADY BEEN TAKING PLACE, BUT WITHOUT GOVERNMENT SUPPORT FOR THE INITIATIVE, THE TRUE IMPACT OF THE CARICOM VILLAGE WILL NOT BE REALIZED BY THE PRIVATE SECTOR.

THE MANUFACTURERS ALSO UNDERSTAND THAT THE ABILITY TO EFFECTIVELY RESOLVE DISPUTES WHEN THEY OCCUR IS ANOTHER CRITICAL ASPECT OF THE SINGLE MARKET. IN ORDER TO DO SO, HARMONIZED LEGISLATIVE AND JUDICIARY SYSTEMS ARE A NECESSITY. IT IS THEREFORE UNFORTUNATE THAT THE REGIONAL LEGISLATIVE BODIES CANNOT YET SEE FIT TO ENACT LEGISLATION IN ORDER TO ESTABLISH THIS IMPORTANT COMPONENT OF THE SINGLE MARKET.

MANY TIMES, WHAT HAPPENS AT THE STATE LEVEL AFFECTS PRIVATE ENTERPRISE TENFOLD. IT IS THEREFORE PRIVATE SECTOR'S RESPONSIBILITY TO LOBBY GOVERNMENT TO ACT ON ITS BEHALF AND MAKE THOSE DECISIONS THAT ARE IN THE BEST INTEREST OF THE

PRIVATE SECTOR. THE IMPLEMENTATION OF THE CSME MUST THEREFORE BEGIN WITH INDIVIDUAL GOVERNMENTS HEEDING THE RECOMMENDATIONS OF THEIR RESPECTIVE PRODUCERS. IN THE CASE OF TRINIDAD AND TOBAGO, I CAN TELL YOU THAT THE TTMA HAS SUBMITTED RECOMMENDATIONS TO THE TRINIDAD & TOBAGO GOVERNMENT CONCERNING EFFICIENT OPERATIONS AT CUSTOMS AND THE PORTS, THE TRINIDAD & TOBAGO BUREAU OF STANDARDS (TTBS), FOOD & DRUG ADMINISTRATION AND PLANT QUARANTINE.

THE CLASSIFICATION OF CARICOM STATES AS HAVING OF SMALL AND VULNERABLE ECONOMIES PUTS US ALL IN THE SAME BRACKET. WHEN OUR CARICOM NEGOTIATORS ENTER INTO AGREEMENTS THEY ARE NEGOTIATING NOT ONLY FOR INDIVIDUAL COUNTRIES BUT FOR AN ENTIRE REGION. DISTINGUISHED LADIES AND GENTLEMEN, I WOULD LIKE TO CONCLUDE BY ASSERTING ONCE AGAIN THAT THE CSME HAS BEEN HAPPENING EVER SINCE MANUFACTURERS VENTURED INTO OTHER CARICOM STATES TO ESTABLISH TRADE RELATIONS. THE TTMA DOES NOT EXPECT THE CARICOM SINGLE MARKET AND ECONOMY THEREFORE, TO BE ANY TIDAL WAVE OF CHANGE TO OUR WAY OF DOING BUSINESS. WHAT IS EXPECTED HOWEVER IS THAT THE INCREMENTAL CHANGES THAT WE SHOULD SEE WOULD BE ABLE TO ENHANCE AND FACILITATE THE EXISTING RELATIONSHIPS

AMONG THE REGION'S PRODUCERS AND THAT THE CSME WOULD POSITIVELY IMPACT ON THE SUSTAINABILITY OF REGIONAL TRADE AND REGIONAL DEVELOPMENT.

THE TTMA ALSO RECOGNIZES THAT IN ORDER TO DEVELOP THE SINGLE ECONOMY, THERE WILL BE A NEED FOR COORDINATION OF OUR MONETARY AND FISCAL POLICIES INCLUDING BUT NOT LIMITED TO THE ADOPTION OF A SINGLE CARICOM CURRENCY. WHILE WE RECOGNIZE AND ACCEPT THAT THIS WILL FURTHER FACILITATE REGULATING TRADE IN GOODS & SERVICES, WE ALSO UNDERSTAND THAT THERE ARE SOCIAL AND POLITICAL CONSIDERATIONS ATTACHED TO COMMITTING TO THIS LEVEL OF INTEGRATION.

OVER THE PAST TWO DAYS I HAD THE PLEASURE OF REPRESENTING REGIONAL MANUFACTURERS AT THE 10TH CONFERENCE OF HEADS OF GOVERNEMNT THROUGH THE OFFICE OF THE C A I C. BOTH THE PRESIDENT DR. RAWLINS BERTRAND AND I PRESENTED MANY OF THE VIEWS DISCUSSED WITH YOU THIS MORNING. IN ADDITION PRIVATE SECTOR WAS GIVEN AN OPPORTUNITY FOR FEEDBACK AND DIALOGUE THROUGH PRESENTATIONS MADE BY RBTT, GRACE, SAGICOR, BARBADOS STOCK EXCHANGE AND CITIBANK.

THERE IS NO DOUBT THAT THE TWO REMAINING CHALLENGES ARE 1) A SINGLE CURRENCY AND II) CARICOM MEMBER, HAITI.

LADIES AND GENTLEMEN, I THANK YOU.