OCECS DEVELOPMENT CHARTER

October 2002
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OECS DEVELOPMENT CHARTER

PREAMBLE

The Governments of the Member Countries of the Organisation of Eastern Caribbean States on behalf of their peoples

MINDFUL that our States are an integral part of the Caribbean Community (CARICOM) with whose members we are closely bonded by a common heritage and shared institutions; with whose economies ours are closely integrated; and with whose Governments we work in partnership in the international community to advance the interests of our peoples;

COMMITTED to the maintenance and strengthening of the close relationship with CARICOM;

AND RECOGNISING that, within CARICOM, our States are a distinct group with special shared peculiarities of an economic and social nature, and a history of cooperation through common institutions;

RECALLING that the decision to strengthen co-operation between our respective states and peoples and establish common institutions is enshrined in the Treaty of Basseterre of 1981;

RECOGNISING that such cooperation has helped to improve our standard of living and quality of life and has enhanced the identity of our region within the global community;

MINDFUL that continued social and economic advancement in a challenging global environment requires greater cooperation and collaboration by private and corporate citizens in the elaboration and execution of development policies;
RECOGNISING the importance of a continuing consultative process between our Governments and our Social Partners on the one hand, and the Development Partners in our region and beyond on the other, with the aim of generating broad consensus on a sustainable Development Strategy for the OECS;

DETERMINED that the fruits of our labour to advance and sustain the development of our States, including the benefit of cooperation with the international community, should be shared equitably among all our members;

NOW AFFIRM our resolve, acting in collaboration with the Social and Development Partners, to pursue the realisation of the vision of this Charter.
OUR COMMON VISION

The development of our people lies at the centre of our vision.

We see closer economic cooperation through the creation of an Economic Union among our States as a prime mechanism for the further development of our people. Concomitant with the Economic Union, we envisage the strengthening of existing institutions for social and political cohesion in order to cement advances in development and to speak with a common voice in regional and international fora;

We aspire to achieve a more modern education system which can strengthen the productive and intellectual capacities of our people and equip them to compete in the global community;

We envision a region where work is available to all and where those who are willing to invest their time and resources in lawful and sustainable economic activity are enabled to do so and to enjoy fully the fruits of their labours;

We envisage the people of our region interacting freely with each other through business, educational, sporting and cultural endeavours in peace and harmony;

We envisage our people living under a system of good governance where democracy flourishes, human and civil rights are respected, order prevails and laws are fairly and justly enforced;

We envisage societies in which the lifestyles of our people lead to productive and healthy communities and where they enjoy access to high quality and affordable health care;
We therefore envision a community of peoples whose basic rights are guaranteed and whose basic needs for sustainable livelihoods including food, clothing, shelter and recreation are met;

Overall, we envisage for our people a future in which they maintain their culture; preserve their heritage; achieve their full human potential in peace and freedom; and participate in the economic and social progress of the international community.
CONFRONTING THE CHALLENGES OF THE FUTURE

Our countries, as Small Island Developing States (SIDS), face unique challenges to the attainment of their development. Our States are especially vulnerable to external economic shocks and natural disasters. Small size and limited resources constrain our ability to cope with the effects of these events.

We will therefore continue to develop and/or strengthen our institutions and the technical and administrative capacity to deal effectively with the threats, and take advantage of the opportunities, presented by the following:

1. The changed conditions of access to hitherto protected markets for some of our traditional commodities;
2. A growing trend, globally, to incorporate more knowledge in the production processes;
3. The free flow of some factors of production across national boundaries, commonly referred to as “globalisation”;
4. The limitations placed on the movement of people to the industrialised countries of the world;
5. The emergence of the World Trade Organisation (WTO) and other trade arrangements in a system of general rules;
6. The implications of these international trade arrangements on development policy;
7. A reduction in the flow and structure of concessional development assistance;
8. Constraints placed by industrialised countries and their agencies on the flow of capital investment;
9. The reach and impact of information technology on the international economy and on our development process;
10. The dramatic growth of the services sector and the role of multinational companies in production, employment and trade in services;
11. The persistently high levels of unemployment among certain population groups and the presence of pockets of poverty in our States;
12. The difficulties facing the education system, particularly in respect of its apparent inability to respond adequately to changes in the global economic environment;
13. The negative impact of the high cost of conventional energy;
14. The opportunity for utilising alternative energy sources such as wind, solar, hydro, and thermal with which our region is well endowed;
15. An increase in levels and types of crime in our societies.
16. An increase in the incidence of social dysfunction among our youth, especially young males.

We regard the continuing globalisation and liberalisation of trade and the consequential imperative for the restructuring and adjustment of our socio-economic environment, as the most fundamental of the challenges posed to the OECS. We will take the necessary actions, through the further integration of our economies, coordination and harmonisation of our policies and joint action, to strengthen our capacity to meet these challenges and devise appropriate strategies to deal with them. We nevertheless perceive that there are significant opportunities nestled in these threats and trends.
OUR HUMAN DEVELOPMENT AGENDA

We see the well-being of our people as the central focus of the development process. Consequently, we will implement realistic programmes to improve their living and working conditions, enhance their skills and provide outlets for their talents. These programmes will include measures to assist vulnerable groups in our societies.

We believe that development objectives should be expressed in terms of the needs, aspirations and capacities of our people. We will, therefore, ensure that the impact of economic growth is consistent with our social development objectives.

Our shared culture serves to promote a sense of common identity and pride in celebration of that identity. We will therefore strive to promote our regional cultural identity and protect it against erosion. We also recognise the opportunity for economic benefits to our countries that exists in the promotion of our cultural products in the global community and therefore we will facilitate our artistes in the development and marketing of their talents and provide protection for their intellectual property.

We recognise the importance of the culture of our indigenous people and the contribution its distinct character has made, and will continue to make, to our region’s development. We are determined to continue to protect the culture and way of life of our indigenous people which we regard as a valuable part of our regional assets.

We will focus on the following minimum targets, which we regard as critical to enabling our citizens to lead healthy lives and secure measurable improvements in their standard of living:

1. Reducing the levels of poverty;
2. Substantially increasing the number and quality of jobs;
3. Providing access to quality education for all;
4. Improving access to and the delivery of health services;
5. Sustaining an adequate stock of natural resources;
6. Empowering disadvantaged groups, at the household, community, national and regional levels to take charge of their own lives;
7. Developing sports and enhancing participation at the national and regional levels; and
8. Strengthening the institutions and practices of good governance.

Reducing Poverty

We firmly believe that poverty in our States can only be eliminated by enhancing access by the poor to resources they require. We recognise that the poor must be enabled to change the conditions of their existence rather than simply adjust to those conditions. In this regard, education is a central element. In addition to education and skills training programmes targeted at poor communities, we will promote policies to ensure participation in activities that engender economic growth. In particular, we will involve women and youth even more beneficially in productive activity and ensure they obtain higher levels of income from work.

Substantially Increasing The Number and Quality of Jobs

We believe that there is a nexus between unemployment, underemployment, poverty and crime. We will, therefore, strive to generate sufficient quality job opportunities to absorb greater numbers of the labour force.

We acknowledge that the absorption of the excess supply of primarily unskilled labour by Governments is unsustainable. Accordingly we will create the environment that will encourage investment and growth in the private sector and expand the possibilities for the provision of sustainable employment. Further, we agree to adopt a multi-pronged
approach that will focus on reforming the education system to produce graduates with greater competencies and skills required in an increasingly knowledge-based economy.

We will, in collaboration with the private sector and trade unions, introduce accelerated skills-training programmes that target the unemployed and new entrants to the labour force. We will also institute programmes for the continuous training and retraining of displaced workers, supervisory and managerial personnel and entrepreneurs to ensure they possess the technical, administrative and organisational skills required in competitive and dynamic economies.

Recognising that the industrial relations climate can affect productivity and competitiveness, we will modernise and strengthen our labour laws and codes and implement measures to expedite the resolution of industrial relations conflicts. This will include the introduction of training programmes for trade union and business leaders, that emphasise the need for cooperative action and promote tripartite partnerships between governments, employers and unions.

We recognise that our governments will continue to play an important role in stimulating economic activity through carefully considered investments. We will therefore structure the Public Sector Investment Programmes (PSIPs) and other investment related initiatives to facilitate the sustained creation of jobs.

We will reform the structures and operations of our labour markets utilising reliable labour market information, to allow for greater flexibility in the utilisation of the skills, human resources and new technologies.

**Increasing Access to Quality Education**

We recognise the centrality of education as a basis for improving productivity. We resolve that the education system must do the following:
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a. Meet the growing demands for adaptable workers, who can readily assimilate new knowledge and skills;
b. Sustain the continued expansion of knowledge to support our social, economic and cultural development; and
c. Provide life-long learning opportunities for our populations.

Despite the developments in the education system over the years, we remain concerned about several ongoing problems, especially:

a. The relatively low levels of education achievement;
b. The declining rates in the completion of primary school education;
c. The increasing levels of functional illiteracy and semi-illiteracy among primary school leavers;
d. The low level of problem solving skills among graduates of the education system;
e. The small percentage of our population who access higher education and participate in adult and continuing education; and
f. The increasing drop out rates among young males.

We firmly commit ourselves to ensuring that our education system is structured to produce positive results required for making our economies more efficient.

Improving Access To Health Services

We are satisfied that OECS Member States have generally experienced comparably good health conditions and have managed to eliminate many of the basic diseases normally associated with the developing world. However, we recognize that the health systems are subject to severe pressure as a result of:

a. Financial constraints;
b. Changing family structures;
c. Changing lifestyle patterns;
d. Aging populations;
e. Increasing urbanisation;
f. Relatively high rates of unemployment and associated levels of poverty;
g. An upsurge in communicable diseases (HIV/AIDS, Tuberculosis, and gastroenteritis) and chronic non-communicable diseases (cancer, heart diseases, diabetes); and
h. An increase in levels of substance abuse.

While continuing to implement health care reforms at the national level, we will move to expand functional cooperation initiatives in the health sector, building on the successes of the OECS Pharmaceutical Service. In particular, we will undertake a joint approach to:

a. The management of HIV/AIDS;
b. Sharing of specific services such as advanced technology tertiary level care;
c. Procurement and maintenance of sensitive health care equipment;
d. Strengthening the capacity of health planning and health care professionals;
e. The promotion of best practices in the management of our health services and delivery of health care.

We commit ourselves to ensuring that our people can rely on effective health care systems designed to address their health needs.

Providing Adequate Shelter

We realise that the small physical size and geographic features of our countries as well as the paucity of financial resources, constrain the development of sufficient housing to meet the needs of all our people. We also recognise that due to their economic circumstances, the poor in our population face the greatest hardship in securing
adequate shelter. Accordingly we undertake, within the financial constraints we face, to try to:

- Implement suitable land use planning strategies for organising appropriate settlement developments;
- Provide more government-aided shelter and self-help housing shelters;
- Assist lower income persons to acquire their own shelter; and
- Encourage and support private financing arrangements.

We commit ourselves to ensuring that our peoples’ needs for appropriate shelter can be met in our various communities.

**Empowering disadvantaged groups**

We are mindful of the plight of all disadvantaged groups in our societies. Nonetheless, we believe that all our people are endowed with assets, which must be utilised in a sustained manner to enrich their lives and advance development in our region.

We will therefore, ensure that our macro-economic policies take account of the critical lifestyle needs of several categories of persons with disabilities or disadvantages that could constrain their possibilities to enjoy full and complete lives. We will ensure that there is no discrimination against persons with disabilities. In collaboration with our Social Partners, we will ensure that such persons enjoy equal rights, and like every other member of society have equal access to economic, social and other resources within our States. Further, we will establish and enforce a Code of Practice for the Employment of People with Disabilities.

We recognise that in our young people we possess tremendous opportunities for the creation of a future that would advance our societies. We must harness the energies and imaginations of the young in productive and beneficial enterprises. We pledge to assist them by:
a. Creating and sustaining employment opportunities;
b. Strengthening the capacities of youth organisations; and
c. Refocusing the programmes of education and training institutions and encouraging the active participation of young people in sporting, cultural, creative and recreational activities.

We will also continue to work towards the implementation of programmes and the attainment of targets set out in key international agreements to which we are signatories.

We are aware that our societies are substantially devoid of legal structures of discrimination based on gender. However, we do recognise that attention must be paid continuously to ensure effective and full incorporation of women as well as men in our social relations, and productive activities.

We will pursue the implementation of policies and strategies that will, among other things:

a. Promote gender equality in accessing employment, education, access to public goods and health care services; and
b. Strengthen the capacity of institutions involved in promoting sound gender relations.

**Development of Sports**

We believe that involvement in sports at the national and regional levels will help encourage healthy lifestyles, create valuable and long lasting links among the citizens of the region and provide the opportunity for national and regional pride and dignity in the global community. We will therefore develop sports by:
OECS Development Charter

a. Promoting interaction between our peoples, especially the youth, in various sporting activities;
b. Enhancing sports development and administration in the region
c. Encouraging better planning, marketing and organization of sports within the region;
d. Establishing cooperative arrangements with regional and international training institutions; and
e. Mobilizing international, regional and local resources in support of sports development initiatives.

We commit ourselves to ensuring priority attention is given to sports as a vehicle for growth and development.

Environmental Sustainability

We acknowledge that our development aspirations cannot be achieved in the absence of a healthy environment and that conversely, environmental degradation will result in economic hardships for our peoples. We also fully accept that despite the progress made over the last decade in strengthening the policy and institutional arrangements for natural resource planning and management at the national and regional level, the environment in the region is still gravely at risk and remains vulnerable to natural disasters. Accordingly, we pledge to implement the St. George's Declaration of Principles for Environmental Sustainability in the OECS and strategies to:

a. Integrate environmental considerations into social and economic development policies, plans and programmes at the national level;
b. Involve all sectors of the society in the protection and management of the environment;
c. Ensure that all natural resources of our region are sustainably managed;
d. Apply cleaner, more energy efficient and environmentally desirable technologies, systems and methods;
e. Minimise the environmental impact of disasters;

f. Implement measures at the national level to give effect to the various international environmental agreements to which our States are party; and

g. Enhance understanding and awareness throughout our region of the links between the environment and the economy.

h. Strengthen our information sharing and coordinate our responses to disaster management through the establishment of common policies and strategies for appropriate preparatory and mitigatory measures.

We commit ourselves to ensuring that the integrity of our environment will remain a paramount consideration even as we pursue our development efforts.

**Good Governance**

We recognize that the strengthening of the machinery for good governance and the further implementation of good governance practices are central to the attainment of our development objectives. Accordingly, we will:

a. Fashion and enhance institutions and modalities of governance that are relevant to our Caribbean experience;

b. Promote an OECS approach to governance that recognises and is consistent with the Treaty of Basseterre and the objectives of our integration movement;

c. Promote responsive, accountable, transparent and efficient Government, with democratic institutions that are accessible to all citizens;

d. Establish clear codes of conduct for public servants and politicians;

e. Implement strategies that strengthen the potential for expansion and greater efficiency of the private sector through the removal of administrative bottlenecks and facilitation of business;

f. Strengthen and promote the regulatory and legal framework within which good business practices would be conducted;
g. Promote sustained dialogue among Social Partners at the national level to, inter alia, build solid conflict resolution mechanisms that can help the region take full advantage of the opportunities of the new global environment and reduce its negative effects; and

h. Continue to provide resources for modernising our judiciary and law enforcement agencies and modernise their work through greater collaboration, particularly in the areas of training, legislative reform, and upgrading of their facilities and equipment drug interdiction, marine surveillance and forensic services.

Information and the Media

We firmly believe that development will best be achieved in an atmosphere of openness and transparency and that our peoples have a right to information that affects their lives. In this connection, we also believe that the media has an important role to play in seeking and disseminating information, and we encourage them to do so.

We are equally conscious that the exercise of the right to information by the media and other groups carries a responsibility and duty to respect laws in our democratic societies that protect reputations, rights and freedoms of persons, and upholds public safety, public order, public morality and national security.

We call on the media and other groups to share the vision expressed in this Charter through an active programme of public education about the development challenges that confront our States and the actions we are taking to try to overcome them.
OUR ECONOMIC GROWTH AGENDA

We fully recognise that the resources needed to satisfy the basic needs of our people and support a steady improvement in their living standards will come only from a robust and diversified economy.

Bearing in mind the challenges emanating from the changed external trade and economic environment, we are aware that we must adapt and adjust to the requirements of international competitiveness in the production of, and trade in, goods and services. In addition, we are determined to reshape our economies and position them to take advantage of the opportunities created by the new global trade and economic arrangements.

We will attempt to influence the structure of these arrangements to create a framework within which we may be beneficially integrated into the global processes. All of this calls for concerted, cooperative efforts at the domestic and external levels, which can only come about through a clear understanding of the options we face.

We will therefore, deepen and widen our integration initiative to redress the limitations of size, the undiversified structure and low levels of capacity that characterise our economies. We will also accelerate the implementation of the necessary measures in our States, pool our limited resources, harmonise our economic policies and pursue joint and coordinated action in regional and international spheres. In particular, we commit to jointly pursue:

1. Manageable debt service ratios;
2. The containment of debt at controllable levels;
3. The promotion of policies that ensure fiscal prudence;
4. Continued exchange rate stability;
5. Strategies to contain inflation and provide a stable economic environment;
6. Activities that facilitate the free movement of goods, capital and labour, among our respective States;
7. Programmes that result in an increase in the volume of exports;
8. Effective procedures for the transfer of knowledge and skills, particularly information-based, in the areas of new technology;
9. Initiatives that foster the development of a vibrant private sector that can compete domestically and internationally;
10. Policies for the environmental sustainability of our development activities; and
11. Measures for the adaptation and restructuring of our economic production systems, focusing on those areas in which we have clear competitive advantages.

To hasten progress in these areas, we will urgently introduce and support measures that will:

1. Promote strong business alliances among the producers and suppliers of commodities within our States and our region;
2. Build the necessary skills and expertise in critical areas of modern science and technology;
3. Introduce greater clarity, efficiency and consistency in investment promotion activities through early adoption of an OECS Investment Code;
4. Reform and modernise our public sectors to enhance the quality of service provided and to better facilitate the efforts of the private sector;
5. Support harmonious industrial relations through the implementation of an interactive framework involving all parties;
6. Address rigidities in the labour markets to allow for greater flexibility and efficiency in the deployment of and rewards to labour; and
7. Implement measures to stimulate productivity, efficiency and investment.

We believe that these measures constitute an essential element in taking advantage of the homogeneity of our States, making for better utilisation of their respective capacities
and providing them with the means for active and beneficial participation in the regional and global communities.

Sustaining Our Economies

We hold the view that the main aim of economic activity is to create wealth in order to improve the quality of life of our people. Therefore, our top priority will be to implement appropriate and sustainable policies that will enhance investment and employment opportunities, encourage higher levels of domestic savings and stimulate production of goods and services which will position our economies to be more internationally competitive.

We recognise that the private sector is pivotal to this and we will focus our efforts on providing incentives and support that will encourage higher levels of private sector activities.

Acting within the context of on-going public sector reform and development initiatives, we will:

   a. Provide opportunities for people participation in ownership by selling shares in entities currently owned by the Government on the public market;
   b. Progressively discontinue Governments’ involvement in those activities that can be better performed by the private sector, while maintaining regulatory oversight;
   c. Vigorously implement a fiscal reform programme built around the development of efficient revenue and expenditure systems and the harmonisation of taxation policies;
   d. Restructure our investment incentive regimes to provide encouragement to existing and new investors to undertake more sustainable and productive investment in areas of the economy that offer competitive opportunities.
e. Undertake a comprehensive assessment of the labour market in our Member States to determine the available skills and education levels of our people and to help us ascertain the quantity and quality of skills that will be required in the short, medium and long term; and

f. Increase the efficiency of our workers through realistic productivity targets tied to training, safe working conditions and fair wages and salaries.

We commit ourselves to ensuring that the foundation for sustained economic growth is properly designed, established and maintained.

Our Directions in Agriculture

We are convinced that the agricultural sector, including fisheries, in the OECS Region will continue to play a significant role in the socio-economic development and protection of the environment of our States. We are clear, however, that in order to maximise the benefits that can be derived, the sector must undertake continuous transformation in keeping with changes in the global production and trading environment. That transformation must take place at all levels - in the pre-production, production, harvesting, processing and marketing phases, and must take into account the realities of our capabilities.

We will aggressively pursue policies that will respond to, as well as anticipate, the circumstances within which implementation must take place. Further, we will ensure that all factors necessary for the success of the sector receive adequate attention and support to enable the delivery of products and services that are internationally competitive in price and quality standards. In keeping with these imperatives, we will:

a. Expedite the implementation of measures to restructure or shift the production and marketing arrangements for crops that have traditionally played a significant role in our economies;
b. Take definitive decisions regarding the continued production of certain crops in light of the cost of production, international competition and world prices;
c. Continue to identify new markets opportunities at home and abroad for crops that can be produced efficiently;
d. Ensure compliance with the requirements of the multilateral trading agreements to which we are party, while seeking to negotiate appropriate production and trade conditions that are in keeping with our own realities;
e. Continue to implement programmes to expand production and marketing outside of the food crop sector and to ensure that sound, environmentally friendly practices are adopted throughout;
f. Where necessary, adopt policies relating to land-tenure, land-management, land-use and land-conservation that are consistent with the imperatives of development and maximisation of output;
g. Refocus and expand agricultural research, extension and other support services to encourage the use of technologies, including irrigation, which suit our terrain and are environmentally sustainable;
h. Encourage changes to the curricula of regional education institutions to ensure that their human resource development programmes are more relevant and applicable to the challenges facing the sector;
i. Encourage the development and strengthening of the links between the agriculture, tourism and manufacturing sectors respectively; and
j. Ensure that agricultural production and marketing address an acceptable minimum level of food security.

We commit ourselves to continue to recognise and respect the multi-functional nature of agricultural activities, especially with regard to rural development and stability.

We are firmly of the view that fisheries can play a more important role in the economies therefore we undertake to accelerate the growth of the sector, by encouraging the use of applicable technologies for harvesting, processing, marketing and conservation of seafood and our marine resources.
Our Directions in Tourism

We fully recognise Tourism as a lead sector, responsible for a significant contribution to the gross domestic product of almost all our States. Tourism has the potential for stimulating activity in other sectors of our economies; promoting diversification of production; and generating income from a wide array of activities directly linked to it. However, we are also mindful that while our region possesses certain advantages, based on the exotic allure of the places and people of the region, specific action will be required to maintain and improve tourism’s contribution and ensure that its benefits continue to permeate other sectors and the economy as a whole. Accordingly, in Tourism we will:

a. Create the institutional structures and capacity to ensure coordination of strategies, action plans and responses, especially with respect to product development, cruise tourism, airlift and investment in accommodation, sites and attractions, marketing and maximization of the financial benefits of the industry;
b. Devise and implement sustainable tourism development strategies that maintain the physical environment that makes our region a desirable and competitive destination;
c. Strengthen the links with the air transport sector, foster strategic partnerships with regional and international airlines and promote alliances between the two to ensure sustained airlift capacity for all destinations within our region;
d. Constantly review the effectiveness of incentives offered to travel and tourism-related enterprises with a view to making them more relevant and efficient;
e. Increase investments in human resource development and specific training programmes to prepare our nationals for all levels of employment within the industry as well as providing service of the highest quality and standards to our visitors;
f. Strengthen the links between tourism and the other productive and service sectors;
g. Design and implement coordinated and multi-destination marketing strategies that emphasise the similarities as well as the differences in our region’s tourism product;
h. Continue joint public/private sector co-operation in marketing and promotion efforts and particularly in new markets; and
i. Explore the creation of new mechanisms for maximizing the financial returns of the industry.

We commit ourselves to ensuring that we grasp the possibilities inherent in our natural advantages and turn these to the continuing benefit of our peoples’ development.

Our Directions in Non-Tourism Services

We recognise that there are beneficial opportunities in services other than tourism, which can enable us to overcome the constraints imposed by small size. We will therefore, give priority to services sector activities and accordingly, we will:

a. Implement an appropriate incentive regime to facilitate the development of domestic supply of services to allow them to compete with those that might be sourced externally;
b. Encourage the growth of export services, in particular professional, cultural, and educational health, and other similar services through appropriate support and incentives;
c. Bring the OECS policy regime for trade in services in line with the relevant regional and international trade instruments, so as to take full advantage of our competitive positions;
d. Fully liberalise and regulate the telecommunications sector to provide the platform on which a wide range of services activities can be built;
e. Promote the establishment of appropriate facilities and institutions to develop
the capabilities of our people in areas such as software design, computer
programming, equipment maintenance and repair; and
f. Introduce and support as appropriate, measures to nurture, promote and
protect intellectual property in our region.

Our Directions in the Financial Services Sector

We are acutely aware that the robust development of the financial services sector in our
States will be critical for the advancement of their sustained economic growth. However, we remain cognizant that historically, the range of financial instruments and
services has been limited. Accordingly, in order to develop the financial services sector
in the OECS we will:

a. Establish the machinery for coordinating the responses of our States to the
standards that organisations such as the OECD, the IMF and the FATF are
seeking to impose upon us, and develop mechanisms for harmonizing the
representation of our States and advancing their positions in regional and
international fora;
b. Continue to improve the regulatory regime and the efficiency of regulatory
agencies to promote an efficient and modern banking sector for domestic and
international activities;
c. Facilitate the further diversification of the financial services sector that has
historically been dominated by the operations of commercial banks;
d. Actively encourage the growth and strengthening of our indigenous
commercial banks through rationalisation of their operations;
e. Pursue the requisite policies to build on the past successes of non-bank
financial institutions, which include credit unions, development banks, savings
banks, mortgage and finance companies and insurance companies;
f. Encourage the improvement of the operations and competitiveness of indigenous insurance companies and strengthen the role and competence of regulators;

g. Ensure that the development of organised financial markets, principally the Eastern Caribbean Securities Exchange, continues on course such that the Eastern Caribbean capital market attains and maintains a status as a premier securities market in the region for capital mobilisation and investment;

h. Continue to build and hone the OECS Member States’ offshore sectors; and

i. Facilitate the evolution of offshore banking regulatory frameworks such that financial services are regulated/supervised in a manner consistent with best international practices.

We commit ourselves to ensuring the existence of a vibrant financial space that will provide the capital and investment needs and operational security for the economic actors in our States.

**Our Directions in Manufacturing**

We recognise that the competitiveness of the manufacturing sector has been affected by constraints such as company size, finance, management and increased trade liberalisation. Nonetheless, we will pursue the development of an internationally competitive sector. We endorse a strategy that is based on niche marketing with an emphasis on the development of the agro-processing sub-sector, reduced emphasis on import substitution and continued encouragement of the enclave sector to take advantage of off-shore manufacturing activities for which we could be an attractive location.

We are of the view that the continued development of the sector will require a review of existing policies and support measures, the adoption of a dynamic marketing culture
and the acquisition and adaptation of new production technologies. Accordingly, we will:

a. Constantly review and update as appropriate, the macro economic framework, including the incentive regime, in order to attract investment in the sector;
b. Assist our manufacturers in strengthening linkages with the agricultural and tourism sectors;
c. Establish and/or strengthen national and regional Standards Bureaus, to guide our manufacturers towards the attainment of ISO product and service standards;
d. Encourage manufacturers through an incentive programme to continuously upgrade the skill levels of their employees, and invest in modern and appropriate technologies;
e. Support the establishment of "one-stop-shops" in our States to facilitate investment and to improve communication between investors, manufacturers and Government agencies;
f. Enhance business facilitation by increasing the efficiency of all public sector agencies and improve the regulatory and legal framework for business activity;
g. Establish and strengthen as appropriate, effective financing and business development mechanisms to stimulate the growth of micro and small enterprises;
h. Encourage joint production and marketing arrangements, including strategic alliances to facilitate access to technical expertise and finance in order to penetrate new markets and/or expand our share of trade in traditional markets; and
i. Create and strengthen national and regional agencies to provide trade and export enhancement services in the areas of advocacy, market intelligence, in-firm technical management, product development and promotion.
Our Directions in Transportation

We recognise that in a region comprised of separate island states, some of which are themselves archipelagos, and which have a high reliance on tourism for economic growth, it is imperative that regular, reliable, efficient and safe means of transportation be provided and maintained for people and goods, both internally and externally. We are mindful that our air space and marine waterways are valuable assets and should be safeguarded so that the transportation systems can operate safely and freely. We will therefore:

a. Provide the requisite environment and incentives to encourage private operators of both air and sea transportation systems to invest in and supply transportation services for both commerce and recreation among our States in an atmosphere of fair competition;
b. Provide the proper legal and policy frameworks to ensure that the transportation systems operate in the most efficient, reliable and safe manner, with the required safeguards for both passengers and goods;
c. Strengthen our national air transport regulatory agencies and our joint Directorate of Civil Aviation, as required, to monitor and implement the various national and international regulations designed for the fair, safe and efficient operation of the air transport systems, facilities and air space;
d. Invest in our human resources to enhance capacity in the management and operation of the various systems, facilities and equipment as they become more technologically complex and sophisticated;
e. Establish, where necessary, regulatory agencies to ensure safe and efficient use of our marine waterways;
f. Accede to and promote implementation of international agreements and regulations that seek to protect the rights of states over the use of their air space and marine waterways; and
g. Establish the institutional and legislative frameworks that will allow us to offer and benefit from, transportation services such as maintaining ship registries and attendant activities.

Our Directions in Information and Communication Technology

We recognise that Information and Communication Technology (ICT) offers significant possibilities not only in support of other critical activities, but also as an economic sector in itself. We are conscious that for the materialisation of these possibilities we must develop the legal and regulatory structures.

We see the reform of the telecommunications sector as a critical step in improving the competitiveness, and maximising the potential, of the Information and Communication Technology Sector as well as many sub-sectors of the burgeoning services industry. Therefore, we will:

a. Adopt a broad sub-regional approach towards telecommunications reform, so as to ensure that the appropriate infrastructural, service, and price platforms are established;
b. Pursue the opportunities offered by the developments in information technology, taking full advantage of a liberalized and regulated telecommunications sector;
c. Implement a clearly focused policy and attendant strategies for information and communication technology interventions; and
d. Encourage and support the provision of requisite human resource development by both the private and public sectors, utilising models that have already been tried and tested in the wider region and elsewhere.
STRENGTHENING OUR REGIONAL ARCHITECTURE FOR INTEGRATION

We firmly believe that the constraints and limitations imposed by small size can be mediated by enlarging our space and scope for collective action.

Therefore, we will create an environment characterised by greater cooperation and deeper integration to enable development within our region. To facilitate this, we will continue to implement the principles for integration and cooperation as enshrined in the Treaty of Basseterre as well as create an OECS Economic Union.

We expect that the strengthening of our regional architecture will facilitate the achievement of the development objectives outlined in this Charter. We are proud of the foundations we have laid in the establishment and success of institutions such as the Eastern Caribbean Central Bank, the Eastern Caribbean Stock Exchange, the Eastern Caribbean Court of Appeal, the Directorate of Civil Aviation, the Telecommunication Regulatory Agency and the OECS Secretariat. We are conscious of the value to our people created by these entities and commit ourselves to their maintenance and strengthening.
MEETING THE COSTS OF OUR DEVELOPMENT

We have already pointed to the reduction in concessional financial resources, to meet our development goals and programmes as set out in this Charter. We are cognizant that this implies a strong need to rely more on our own resources supplemented by borrowing at commercial rates from International Financial Institutions and from the wider regional and international private financial markets. We are conscious of the importance of maintaining debt at manageable levels. Therefore, we commit ourselves to exercise the utmost prudence in this regard.

To help meet the cost of our development, we shall establish institutions and systems to coordinate donor activities, enhance negotiations with our donor partners to mobilise larger quantities of resources and ensure the most effective use of these resources.

We will vigorously pursue private investment from all appropriate sources and we are prepared to be innovative in arrangements for attracting such investment, consistent with the norms of good governance and international best practice.
CONCLUSION

We reaffirm our commitment to fully promote the vision, and actively implement the policies identified in this Development Charter. The Charter is a commitment to the long-term development of our region and points to strategies that we must pursue at national and regional levels if we are to respond effectively to the challenges that attend the development of our countries and peoples. It is a guide to action. It is a basis for consensus building among our States and between Governments and their Social Partners.

While the majority of the proposals fall within the remit of the public sector, we recognise that there are vital roles for our social partners in shaping and supporting the proposed strategies and the policies and actions that are necessary for their implementation. We commit ourselves to a continued process of meaningful engagement with legitimate representative organisations of our people.

We recognise that consensus on the principles and broad policy statements outlined in this Charter is essential to its effective implementation, and to the meaningful realisation of its strategic vision.

We will not let history pass us by.

We are resolved to move forward with commitment and dedication.
IN WITNESS WHEREOF the undersigned Plenipotentiaries sign this OECS Development Charter in the name of their respective Governments, at_____________________________, this ___________ day of ________________ two thousand and two.

For the Government of:

Antigua and Barbuda ________________________________________________

Dominica ________________________________________________

Grenada ________________________________________________

Montserrat ________________________________________________

St Kitts and Nevis ________________________________________________

St. Lucia ________________________________________________

St. Vincent and the Grenadines ________________________________________________

Anguilla ________________________________________________

The British Virgin Islands ________________________________________________