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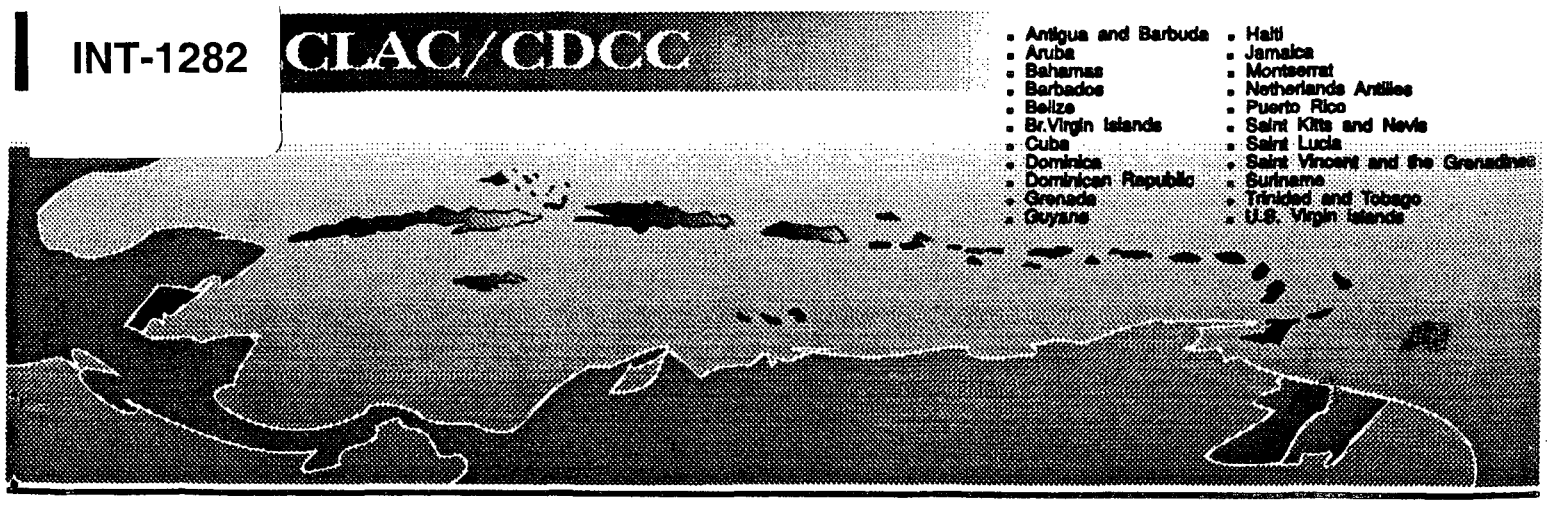

Fifteenth session of CDCC
Santo Domingo, Dominican Republic
26-29 July 1994

WORKING DOCUMENT ON THE ASSOCIATION OF CARIBBEAN STATES

UNITED NATIONS
ECONOMIC COMMISSION FOR LATIN AMERICA AND THE CARIBBEAN
Subregional Headquarters for the Caribbean
CARIBBEAN DEVELOPMENT AND COOPERATION COMMITTEE

The Convention Establishing the Association of Caribbean States (ACS) is expected to be signed by Heads of Government of the Caribbean, Central America, Mexico, Colombia and Venezuela on 4 July 1994 in Barbados.

The ACS is included on the agenda for the Fifteenth Session of the CDCC scheduled to take place in Santo Domingo on 26-29 July, 1994. This meeting will provide an opportunity for representatives of the member countries of the CDCC to air their views on aspects of the structure and functioning of the ACS.

The secretariat has obtained the permission of the CARICOM secretariat to circulate to member countries of the CDCC, the attached Working Document on the ACS. An additional paper on this subject, to be prepared by the ECLAC/CDCC secretariat, will be made available prior to the Session.

GEP/ACS 94/1/2

CARIBBEAN COMMUNITY

WORKING DOCUMENT

FOR THE

MEETING OF GROUP OF EMINENT PERSONS ON THE ESTABLISHMENT OF THE ASSOCIATION OF CARIBBEAN STATES

Port of Spain, Trinidad and Tobago
17-18 June 1994

CARICOM

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PROGRESSION TOWARDS THE ESTABLISHMENT OF AN ASSOCIATION OF CARIBBEAN STATES

STEP I: THE DECISION TO FORGE AN ASSOCIATION OF CARIBBEAN STATES (ACS)

At the historic Special Meeting of the Conference of Heads of Government of the Caribbean Community, held in October 1992 to discuss the Report of the West Indian Commission (WIC), agreement was reached, inter alia, on the establishment of an ACS. That agreement, which derived from a certain philosophy, had certain clear objectives and perceived a comprehensive Caribbean membership.

(a) Philosophy -

(i) CARICOM seek to bridge the divide between its Member States and other states and territories of the Caribbean and Latin America, recognising the advent of an increasingly Caribbean Basin approach to international negotiations and development issues, as well as the changes within and among Latin American countries.

(ii) CARICOM remain the core of the Caribbean integration process and proceed to forge stronger relations with the wider Caribbean.

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(b) Objectives -

CARICOM initiate proposals for the establishment of an ACS directed to advancing both economic integration and functional cooperation with the other Caribbean Basin countries.

(c) Membership -

The ACS be open to all CARICOM Member States, the other island states of the Caribbean, Suriname, the states of Central America and the Latin American countries of the Caribbean littoral, and allow for a variety of arrangements appropriate to its membership.

STEP II: INFORMING THE POTENTIAL MEMBERSHIP

2. In order to advance the ACS proposal, in Notes Verbales despatched to the potential ACS membership during the months of November-December 1992, the Secretariat conveyed the decision of the Special Meeting of the Conference of Heads of Government to the following Caribbean Basin countries/territories:

(a) Independent States

Colombia	El Salvador	Nicaragua
Costa Rica	Guatemala	Panama
Cuba	Haiti	Suriname
Dominican Republic	Honduras	Venezuela
	Mexico	

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The Note Verbale to the Haitian authorities was forwarded to the Haitian Embassy in Washington. CARICOM Member States were also forwarded the text of the ACS decision by Savingram, together with a request for proposals as to the manner in which the proposal might be advanced. No proposals have been received in response to the Savingram under reference.

(b) <u>Non-Independent British Territories</u> covering

Anguilla
Bermuda
British Virgin Islands
Cayman Islands
Turks and Caicos Islands

(c) (i) The Netherlands Antilles
(ii) Aruba

(d) <u>The French Departments</u> (France) covering

(i) Guadeloupe
(ii) Martinique
(iii) Guyane

(e) <u>The United States "Dependencies"</u>

(i) Puerto Rico
(ii) United States Virgin Islands

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STEP III: CONSULTATION AND DEVELOPMENT OF THE ACS CONCEPT

3. Immediately following the Special Meeting of the Conference of Heads of Government on 31 October 1992, the Bureau established by the Special Meeting of the Conference, (comprising the Chairman-in-office of the Conference, as Chairman, and the incoming and outgoing Chairmen of the Conference, assisted by the Secretary-General of CARICOM in the capacity of Chief Executive Officer) on 31 October 1992, met with representatives of those Caribbean Basin countries, potential members of the ACS, who had attended the Special Meeting of the Conference in an observer capacity in order to discuss the proposal for the establishment of the Association of Caribbean States. The entities represented at that Meeting were Colombia, Cuba, the Dominican Republic, Puerto Rico and Venezuela.

4. All representatives welcomed the ACS proposal as formulated by CARICOM and undertook to convey it to their respective capitals for in-depth consideration.

5. Following the circularisation of potential ACS Member States on the ACS proposal, the Community sought simultaneously to develop the ACS proposal while consulting with potential ACS Member States at every opportunity. With respect to the former aspect, it will be recalled that in its Report, the WIC sought merely to outline the vision towards which CARICOM should reach. The proposal in outline was fleshed out within the Secretariat, at the First Meeting of the Bureau held on 15-16 December 1992 and also at a Brainstorming Seminar convened at the Institute of International Relations, St. Augustine Campus, University of the West Indies, during the period 4-5 February 1993. For example, the initial proposal of the WIC envisaged the ACS as a mechanism for the

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pursuit of economic integration and functional cooperation. This initial proposal, on the basis of the process mentioned, has now been elaborated to include as its components:

(a) Liberalisation of trade within the ACS and trade promotion.

(b) The coordination, as far as is possible, of policy in the field of external economic relations with respect to issues relating to NAFTA for example and, more generally, to economic relations with third countries and groups of countries based on enhanced negotiating capability.

(c) Functional cooperation in such areas as energy, the sea-bed, the environment, higher and tertiary education, culture, drug abuse abatement and control, language training, agricultural and industrial development, and transport and communications.

6. With respect to consultations on the ACS proposal, in addition to the discussions held between the Bureau and the five Caribbean Basin entities mentioned above, exchanges took place at the Meeting of the CARICOM, SICA and SIECA Secretariats of the Central American Integration System in February 1993 and also at the Second CARICOM-Central America Ministerial Conference which convened in Jamaica in May 1993. In each case, the intention of the Central American countries to participate in an ACS was emphasised. Finally, at the Seminar convened by the Group of Three for CARICOM Member States and Suriname in July 1993 as the first preparatory stage towards the convening of the October 1992 Summit and also at the Technical Meeting held in September 1993, the

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member countries of the Group of Three expressed their firm intention to participate in an ACS. Formal statements strongly endorsing this position and emphasising the urgency of the establishment of the ACS were made at the Summit of the Heads of State and Government of CARICOM, Suriname and the Group of Three held in October 1993.

7. The Consultations mentioned were supplemented by a probe conducted by former Prime Minister of Jamaica, the Hon. Michael Manley, of the authorities in Mexico, the Central American Republics, the Group of Three countries and the Dominican Republic. Positive responses to the ACS concept together with a strong interest in participating in an eventual ACS were reported in all cases.

8. By way of further elaboration of the ACS proposal, at the Nineteenth Meeting of the Standing Committee of Ministers of Foreign Affairs (SCMFA) which convened in Grenada in May 1993, a series of Recommendations on the Establishment of the Association of Caribbean States was adopted. These Recommendations were endorsed by the Fourteenth Meeting of the Conference of Heads of Government held in The Bahamas in July 1993, and are shown at Attachment I. Consultations were also held between the Secretary-General of CARICOM and the Ambassadors of France and the Netherlands in Port-of-Spain, and also with the High Commissioner of the United Kingdom and the Ambassador of the United States of America to Guyana.

STEP IV: FINALISATION OF THE PROCESS OF ESTABLISHING THE ACS

9. The process of the establishment of an ACS required the convening of a Technical Meeting of the Potential ACS Countries in order to develop and refine the details of the proposal, agree on

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issues relating to, inter alia, structure, level of representation types of membership and financing.

10. The Technical Meeting has held three Sessions. The first of these was held in Kingston, Jamaica, 16-18 March 1994; the second in Santo Domingo, Dominican Republic, 9-10 May 1994, and the third in Mexico City, 3-5 June 1994. The output of the Technical Meeting is embodied in a Draft Convention on the Establishment of the Association of Caribbean States which is shown at Attachment II.

11. It is envisaged that this Draft Convention which has been developed at the technical level will be submitted for approval at the Preparatory Ministerial Meeting which is scheduled to take place in Caracas, Venezuela, during the period 26-28 June 1994.

12. On the basis of the conclusions adopted by the Ministerial Meeting, a text will be finalised for signature by the Meeting of Heads of Government of the full members of the ACS in the context of the Fifteenth Meeting of the Conference of Heads of Government of the Caribbean Community which is scheduled to convene in Bridgetown, Barbados, during the period 4-7 July 1994. As currently agreed by the Technical Meeting the Associate Members will not be permitted to sign and ratify the Convention Establishing the ACS.

Associate Members will interact in the ACS on the basis of relationship agreements negotiated with the full membership of the ACS though the Ministerial Associate Members may however sign the Final Council Act of the Plenipotentiary Conference to establish the ACS.

Outstanding Issues

The Draft Convention produced by the Technical Meeting at its Session in Mexico, 3-5 June 1994, contains with respect to a number of issues, alternative formulations in respect of which a determination at the technical level either proved impossible or was deemed to be more appropriate for resolution at the Ministerial level. The relevant draft provisions in this regard appear in the Draft Convention in square brackets. These provisions cover respectively:

i) the possibility of contributions to the biennial budget not only by full Member States (i.e. the Sovereign States of the Wider Caribbean) but also by Associate Members (including, possibly, the French Departments, in which specific context, the issue arose during the Technical Meeting. This is also relevant to other entities, e.g. Puerto Rico) and observers. (Article IX-b and Article XII.5)

At one stage of the discussions (Santo Domingo), this issue was linked to the possible designation by Associate Members of a Minister to attend Meetings of the Ministerial Council and to vote on matters which directly affected them (including certain aspects of the structure of the Budget). At the Meeting held in Mexico City, a new consensus emerged. This new consensus is contained in the Statement made by the Chairman of the Technical Meeting on 4 June 1994 which is shown at Attachment III.

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(ii) <u>The Draft Provision on the Procedures of the Ministerial Council</u>

This relates to the process for determining whether a matter is procedural or substantive in terms of the voting majority required (Article XI.4);

(iii) <u>Composition of the Secretariat (Article XIV)</u>

This refers in particular to the issue as to whether, inter alia, in the interest of economy the appointment of a Deputy Secretary-General might be postponed until its absolute necessity will have been demonstrated. The period of the Secretary-General's mandate and the question as to whether the incumbent could be re-elected for a successive term or at some later date also remain to be resolved. Article XIV paragraphs 1-3. (Please note that Article XIV.3, in an earlier version, followed Article XIV.1 hence the particular wording). The matter of the location of the ACS Secretariat is also to be resolved in light of offers received from Belize, the Dominican Republic, Jamaica and Trinidad and Tobago.

(iv) <u>The Issue of the Depositary Government (Article XXV)</u>

This presents no real difficulty and awaits only the formalisation of the situation in this regard.

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(v) Amendment of the Convention: (Article XXVIII)

The Ministerial Meeting will be requested to make a determination with respect to the majority or procedure required for amending the Convention both as regards the "acceptance" of proposed amendments and their entry into force.

Other Outstanding Issues

The foregoing Section covers those elements which are to be embodied in the text of the Draft Convention which is to be signed by Heads of Government in July 1994.

On the basis of consultations (with admittedly only some potential members of the ACS), it appears that the signature of a Convention Establishing the ACS would depend particularly, on prior determinations with respect to -

(a) the size of the Association's Budget and the formula for the determination of the quotas of individual members;

(b) the Work Programme of the Association (related to (a) above).

In this regard, the Technical Meeting at its Session held in Mexico City requested the organisations listed hereunder to prepare the following documentation for the consideration of the Preparatory Ministerial Meeting which is to take place in Caracas, Venezuela, during the period 26-28 June 1994:

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Organisations	Subject
CARICOM and ECLAC Secretariats	Institutional Framework within which the Association of Caribbean States will function, including the role of the Committees as well as the role envisaged for the Advisory Board, "real actors" and the social partners
CARICOM and SELA	Secretariats Review existing Cooperation Mechanisms/ Regional Integration Groupings among the potential Members [and Associate Members] of the Association to identify areas of commonality which would benefit from further development within the context of the Association of Caribbean States
SICA Secretariat	Possible Contribution Formula for the Association a proposed regular [biennial] budget and interim financing
Caribbean Development Bank and Central American Bank for Economic Integration	Modalities for sourcing the Extra-Budgetary Fund of the Association to finance selected aspects of the Work Programme of the Association and guidelines for administering the Fund

The CARICOM Secretariat has communicated the above decision to the Organisations indicated enjoining their collaboration in the exercise. The CARICOM Secretariat has also commenced preparation of its new inputs in this regard.

RECOMMENDATIONS ON THE ESTABLISHMENT OF AN ASSOCIATION OF CARIBBEAN STATES

1. **Establishment**

There shall be established an Association of Caribbean States hereinafter referred to as the ACS comprising all CARICOM Member States, the other island states of the Caribbean, Suriname, the States of Central American and the Latin American countries of the Caribbean littoral, and allow for a variety of arrangements appropriate to its membership.

2. **Membership**

Provision should be made for distinct categories of membership as follows:

(i) Full Membership - open to all independent States falling in the categories set out in paragraph 1 above;

(ii) Associate Membership - to be applied to regional non-independent territories;

(iii) Observer Status - open only to

(a) potential members of the proposed ACS as identified in paragraph 1 above, pending their accession to the agreement establishing the ACS;

(b) regional entities to be determined.

3. **Objectives**

To advance both economic issues such as trade, integrated production and technical cooperation and functional cooperation among Caribbean Basin countries on the basis of

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common goals in order to promote the well-being of the populations of these countries.

To reach understandings or common positions on regional and global issues of concern to ACS countries.

4. Principal Organs

Governing Body comprising Foreign Ministers with provision for ad hoc Conferences of Heads of State and Government and other Ministerial Groups as needed.

5. Decision-Making

Decisions should be based on consensus.

6. Secretariat

In principle, this should be based on a joint coordinated mechanism between the CARICOM Secretariat and existing structures such as the SELA and SICA Secretariats.

7. Languages

The official languages of the Association will be English, Spanish, (French).

8. Financing

The acceptance of the principle of shared cost but options should be explored concerning the formula for sharing. Associate Members and Observers would also participate in financing the arrangement.

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9. Accession

An accession clause will be included in the Agreement establishing the ACS.

10. Entry into Force

It is envisaged that all CARICOM Member States will be among the original members of the ACS.

ASSOCIATION OF CARIBBEAN STATES

SECOND RESUMED TECHNICAL MEETING OF THE ESTABLISHMENT THE ASSOCIATION OF CARIBBEAN STATES

RESTRICTED

TECH/ACS/94/2/2

Mexico City, Mexico
3-5 June 1994

4 June 1994

CHAIRMAN'S OPENING STATEMENT

(Day 2 - Saturday, 4 June)

As we came to the end of yesterday's deliberations, I found myself thinking that our discussions had reached a point at which it would be a good thing to check our bearings and to ensure that the compass by which we are being guided remains accurately fixed on the course which was originally charted for our Association of Caribbean States.

In this regard, I am somewhat fortunate in that I was a participant in the West Indian Commission which in the first instance. gave birth to an idea which was accepted by the Caribbean Heads of Government and subsequently by Heads of State and Government of the wider Caribbean region.

From the discussions we have so far had in this Technical Meeting, it would be inaccurate to attribute to any of the States mentioned in Annex I, any intention to exclude metropolitan powers from our Association. Nevertheless, we all have to agree that the peculiar circumstances of some Caribbean countries and territories require peculiar solutions if we are to achieve the over-riding objective of inclusiveness. It is therefore against this background that I shall attempt to give expression to the consensus which I have derived from my discussions with representatives of most of the States listed in Annex I:

- Firstly, it is totally agreed that our Association must be inclusive

- Secondly, it is agreed that the goal of inclusiveness is born of a desire to permit Caribbean citizens of metropoles to participate in the work of our Association taking into account the realities imposed by constitutional and political constraints.

- Thirdly, there appears to be a consensus that the constituent instrument of our Association should be a Treaty in the strict juridical sense and using the language in the international lawyers "an international agreement concluded between states in written form and governed by international law . . .". This understanding has the following consequences:

  (a) only states listed in Annex I will be Members of the Association,

  (b) only states listed in Annex I will qualify for the status of Founding Member. In this connection. I have to observe in the light of suggestions made during the course of yesterday´s discussions that the status of Founding Member was never intended to be enjoyed as a matter of right based on participation in the Technical Meeting to develop the Association´s constituent instrument. States listed in Annex I must satisfy the requirements of draft Article IV (iii) in order to enjoy the status of Founding Member.

- Fourthly, there appears to exist a consensus that only those states listed in Annex I will be parties to the Convention. Associate Members will enjoy rights and assume obligations from or under the Convention by virtue of relationship agreement determined by the Ministerial Council and concluded between the Association and prospective Associate Members.

- Fifthly, the rights and obligations of associate Members will be enjoyed or discharged as the case may be by countries or territories in the Caribbean notwithstanding the fact that their constitutional or political status may require the intervention of the metropole representing the unitary state.

- Sixthly, there appears to be a consensus that the participation of Associate Members in the work of our Association will be largely confined to the areas of functional cooperation given the legal constraints on participation by countries and territories of the Caribbean in economic matters.

If these submissions accurately reflect the consensus of the meeting, I would propose to close the discussion on this issue which has engaged our minds beginning in Kingston and then in Santo Domingo and yesterday in Mexico City and consumed so much of our time which is fast becoming an increasingly scarce commodity.

My discussions with various delegations have led me to understand that this is a widely shared perception and that the time spent in ventilating this issue so far was time well spent but that we now have to bring this phase of our discussion to a close in order that we may move on to address the remaining Articles of the final clauses and proceed to a consideration of Articles XII to XIV of the Draft Convention.

I thank all participants in the meeting who have contributed so positively in the process of finding solutions which will permit the articulation of the Association of Caribbean States as originally conceived and I thank particularly, those delegations who yesterday evening assured me that there was a wide consensus on the thoughts which I have shared with you this morning.
