



CDCC/PO/WP/78/6
19 December 1978

ECONOMIC COMMISSION FOR LATIN AMERICA
Office for the Caribbean

CARIBBEAN DEVELOPMENT AND CO-OPERATION COMMITTEE

LATIN AMERICAN INSTITUTE FOR SOCIAL AND
ECONOMIC PLANNING

First Meeting of Planning Officials in
the Caribbean
25-31 January 1979
La Habana, Cuba



UNITED NATIONS ASSISTANCE TO THE CARIBBEAN
COMMUNITY (CARICOM) IN DEVELOPMENT PLANNING

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Introduction

1. In order to understand the role of the United Nations in the provision of technical assistance in development planning or other related fields in the Caribbean Community one must also understand the structure of political decision-making in the Community. First there are the national governments each of which has an indicative planning figure (IPF) out of which resources may be used to provide technical assistance. At a wider geographical level there is the East Caribbean Common Market with its Secretariat in Antigua serving the seven less developed island member territories of the Community located in the Eastern Caribbean. Over and above the assistance which may be provided at the national level, these LDC's can participate in programmes financed from resources provided under the Caribbean Undistributed Planning Figure especially for the benefit of this group. At the level of the Community itself projects may be financed out of the Latin America Regional allocation for the benefit of all members of the Community.
2. The United Nations is at present executing projects at all of these three levels in the Community, in planning and other related fields. Naturally in situations such as this there is some risk of duplication of effort at the different levels, and special efforts have to be taken to minimize this and to promote complementarity between the various technical assistance activities not only of the United Nations, but of the several other aid agencies operating at different levels within the region as well. This is a minimal necessity if efficient use is to be made of the resources provided under technical assistance.
3. Of course, there are also activities of the United Nations Family of Organizations which extend beyond the boundaries of the Caribbean Community linking the Member States of the Community with the wider Caribbean. Such for example are the various activities of the CEPAL Office in the field of transportation planning, as well as the activities

of the Environmental Project also located in Port of Spain.

Role of the UN System in Planning in the Sub-Region

4. The United Nations system has been playing a very active role in planning in the Eastern Caribbean during the last decade, and in recent years has been laying increasing emphasis on the provision of assistance at the regional level in an effort to foster and encourage the various movements towards regional economic integration which have been established within this area. At the national level DTCD projects in socio-economic development planning and related areas are currently being financed in Antigua (general development planning), Bahamas (water resources development), British Virgin Islands (physical and general development planning), Cayman Islands (budget administration), Dominica (physical and socio-economic development planning), Grenada (development planning), Guyana (surveys, physical planning and housing), Jamaica (energy planning and public service improvement), Montserrat (land valuation), St. Kitts (physical planning), St. Lucia (infrastructure development), Trinidad and Tobago (development of the Caroni Swamps).

5. At the regional level on-going projects in development planning and related fields being executed by DTCD alone include assistance in physical planning, development of statistical services at the Eastern Caribbean and CARICOM levels, water resources development in island countries and multi-sector regional planning, this last being intended originally to be the major channel of technical assistance in development planning to the entire Caribbean Community, and to act as a resource unit to other regional planning projects. In addition, there are other projects in the industrial transport, agricultural and other fields which relate to planning in specific sectors being executed by other members of the United Nations family of organizations.

The Multi-Sector Regional Planning Project

6. This project was established in order to assist the national governments as well as the two regional secretariats, the CARICOM Secretariat in Georgetown and the ECCM Secretariat in Antigua, in working towards the

achievement of the expressed objectives of regional co-operation in various aspects of planning, the United Nations Multi-Sector Regional Planning Project for the Caribbean Community was established in 1976 for an initial period of three years, with headquarters in Port of Spain, Trinidad, but working in close collaboration with the Regional Secretariat in Georgetown, Guyana. The project had the following long-range objectives:

- (i) to assist the Caribbean Community Secretariat and the Governments of the Caribbean Community in the establishment of an effective basis for regional planning and for the regional co-ordination of national development planning, and particularly in establishing and implementing a Regional Perspective Plan as a framework for regional development;
- (ii) to contribute to the long-term development of the Caribbean Community and Common Market by enhancing the role of planning in achieving the aims and objectives of the Community and in ensuring that regional integration makes the maximum contribution to regional development with an equitable distribution of the benefits from integration, with particular reference to the less developed countries of the Community;
- (iii) to assist the Governments of the Commonwealth Caribbean with particular reference to the less developed countries of the region in the establishment of appropriate planning machineries for national planning.

7. The project has now completed its three-year term of operation, and one is in a position to comment briefly on the extent to which it has achieved the goals set for it at the outset. One may perhaps summarize by saying that the actual achievements of the project fell far short of the original expectations. One is also forced to admit,

however, that the project was conceived on a far more ambitious scale than that on which it was actually implemented, and that its objectives should have been accordingly modified to make them consistent with the resources made available. It is also true that the entire climate of co-operation in the Caribbean Community was put to a severe test during the years of the energy crisis and world inflation, and that the financial and political pressures of Member States during that period certainly did not facilitate increased efforts at co-operation.

8. Though, as indicated earlier, the formulation of a Regional Perspective Plan as a framework for regional development was an overriding objective of the project, it was not until late 1977 that an expert was eventually appointed to the position of development planner on the project for a period of 15 months. No significant progress towards the formulation of the Regional Perspective Plan was made during his term of office. It is probably true to say that by the time the development planner had got down to his task the interest in regional planning was definitely lukewarm with all the Member States of the Community concerned almost entirely with balancing their current budgets and minimizing current deficits rather than with medium and long-term planning. During the last few years we have also been witnessing some degree of evolution in the economic strategy pursued by several Member States of the Community with consequences for the approaches to planning adopted by these States. This state of affairs has often led to serious questions as to whether there can be discovered the consistency of goals and harmony of objectives which should provide the underpinnings of the Regional Perspective Plan.

9. One serious handicap to improved planning performance at both the national and regional levels in the Community is the weakness of the institutional machinery for planning in many of the States. In a few cases such machinery is non-existent whereas in others there is a dearth of qualified personnel and resources. In yet other States where both the personnel and the resources may be available there has apparently been a disenchantment with planning due to the historical experience of poor performance of the planning organisation of the States. In short, planning as a governmental activity does not universally enjoy a high priority rating within the Community and this is itself a serious impediment to UN efforts.

10. As part of its future efforts in promoting improved planning within the Community, the UN proposes in the immediate future to devote increased attention and resources to improving (a) the statistical basis of planning in all sectors; (b) the human resources available to planning agencies through increased training facilities; (c) the institutional machinery for planning, and (d) the efficiency with which planning can be undertaken by Member States by providing at a regional level certain types of scarce expertise which cannot be efficiently utilized at the national levels.

Sub-regional Planning on Energy, Industry, Agriculture,
Transport, Mass Communication

11. The Chaguaramas Treaty establishing the Caribbean Community in July 1973 provides in Chapter VI for the Co-ordination of Economic Policies and Development Planning among Member States of the Community in a wide variety of areas. Specifically these include domestic and foreign economic and financial policy (Art.39); taxation and fiscal incentives to promote industry, agriculture and tourism double-taxation treaties (Art.41); the harmonization of industrial and commercial laws and administrative practices (Art.42); monetary, payments and exchange rate policies (Art.43); promotion of ownership and control of regional resources by nationals of the region (Art.44); co-ordination of national development planning through the formulation of a regional perspective plan, by consultation in the formulation of national plans and the establishment of a Committee of Officials in charge of national planning agencies (Art.45); industrial programming to increase the use of local materials, encourage production linkages, minimize product differentiation, improve production efficiency, expand extra and intra-regional exports and promote industries in the LDC's (Art.46); joint development of natural resources through joint projects, collaboration in research and exchange of information (Art.47); promoting complementarity of agricultural production with special attention to the LDC's (Art.49); rationalisation of trade in selected agricultural products (Art.48); promoting complementarity of agricultural production with special attention to the LDC's (Art.49);

collaboration in the development of the tourist industry (Art.50).

12. On a more restricted geographical level the East Caribbean Common Market Agreement also mandates its Member States to work towards the progressive harmonisation of development, investment and industrial policies involving a common policy towards development planning and industrial development including fiscal and other incentives to industry (Art.13); to pursue policies which economize on the use of foreign exchange and adopt a common policy towards treatment of foreign capital and greater mobilization of domestic capital for development purposes (Art.14); to progressively harmonize their fiscal policies especially taxation of companies and individuals and use of fiscal incentives for industries, agriculture and tourism (Art.15); the adoption of a common transport policy with special reference to inter-territorial transport (Art.16); and the adoption of a common agriculture policy including a harmonized approach towards subsidies, price supports and market guarantees (Art.17).

13. Though only limited progress has been made so far in the execution of the above mandates to these two regional organizations and further progress has been seriously impeded in recent years because of the severe economic and financial crises faced by most of the Member States, there has nonetheless been some achievements worthy of note in several of the areas mentioned.

Industry

14. Some progress had been made in the examination of the possibilities for industrial programming within the Community as a whole by the mid-1970s when the pressures brought on by world inflation and the energy crisis so altered the economic climate within the region as to lead to suspension of further discussions on approaches in this area. Some projects envisaged included large scale joint enterprises utilizing energy and mineral resources from within the Community, of which a few are still being investigated. Investigations were undertaken with the assistance of the Caribbean Development Bank and IBRD by consultants, in the effort to identify feasible industries for establishment in the less developed territories in an initial attempt at allocation of industries. At another level efforts are continuing through assistance to the ECCM Secretariat

from UNDP/UNIDO to identify potential industries based on the natural resources available in the ECCM Member States. The establishment of the Caribbean Development Bank in 1970 to serve the developmental needs at the wider regional level, and of the Caribbean Investment Corporation in 1973 to finance industrialisation in the ECCM member territories, both represented part of the regional strategy for the development of industry.

15. An important aspect of the efforts to promote industrial development within the Community in which substantial progress is at present being made is represented by the introduction of the New Structure of the Common External Tariff as well as a New Origin System for the Common Market which are expected to be introduced in 1979 and which should have the effect of widening the possibilities for trade in industrial products within the Community particularly those derived from products using raw materials of domestic origin.

16. Yet another aspect of the approach towards the promotion of industrial development is the harmonized regime of fiscal incentives which has been in operation for the entire Community for some time, and is due for review in 1979.

Agriculture

17. Though developments in this area have not been without problems and difficulties, this is undoubtedly the area of regional planning in which most significant progress has been registered to date within the Community. In addition to the organisation of trade in Oils and Fats, and a wide variety of food crops under the provisions of various annexes to the CARICOM Treaty, noticeable progress has been recorded in the formulation of a Livestock Sector Plan as one sectoral aspect of the CARICOM Food Plan. The Caribbean Food Corporation, with Headquarters in Port of Spain has been incorporated and its head office is at present being established with assistance from the UNDP and CDB. This corporation is intended to act as a mechanism for mobilization of resources to be devoted to the production and distribution of food crops throughout the region.

18. The United Nations has been very active in this vital area of development of the Community. Resources have been provided to assist in regional agricultural planning through the MSRPP which in November 1978 held a very useful and constructive regional conference on the formulation of a Common Agriculture Policy. The conference brought together for one full week consultants working on diverse areas of research and practice in relation to production, transport and marketing of agricultural produce within the Community, as well as representatives of government agencies and international organisations to discuss the content and feasibility of a Common Agriculture Policy. The report of the conference is being prepared by the CARICOM Secretariat and should help to inform the Secretariat as well as member governments on the prospects for future planning in this area.

19. A large project for the development of farming techniques (CARDATS) is now in process of execution in the ECCM States with headquarters in Grenada and an agricultural research project with Community-wide coverage (CARDI) is based at the Faculty of Agriculture of the University of the West Indies in Trinidad and Tobago. In addition, there are smaller national projects located in several member states of the Community.

Co-ordination of Development Planning

20. In execution of the mandate given in Article 45 of the Annex to the Treaty of Chaguaramas, the Committee of Officials in charge of National Planning Agencies was established. The last meeting of the Committee was held in May 1977 and took the opportunity not only to review the current economic situation in member states of the Community, but examined at length such issues as the feasibility of a regional policy on inflation, a regional consumption policy, the state of national development planning the present state of developments in regional planning and regional industrial programming, the role of the UNDP Multi-Sector Regional Planning Project, and the proposed quantitative framework for the Regional Perspective Plan.

21. The study on the Quantitative Framework for the Regional Perspective Plan which had been earlier prepared by consultants under the joint auspices

of the United Nations and the IBRD, was the subject of further more detailed scrutiny at a one-week regional seminar for Statisticians and Planners held in November 1977 in Trinidad to examine the problems associated with the compilation of National Accounts and other Statistics to satisfy the needs of planning. The seminar was held under the joint auspices of the UN Multi-Sector Regional Planning Project, the UN-CARICOM Statistics Project and the UN-ECCM Statistics Project.

22. One most desirable feature of the co-ordination of planning which takes place within the Caribbean Community is represented by the high degree of collaboration between regional organisations in their efforts to assist member states. Several joint missions have been undertaken for one purpose or another involving the CARICOM and ECCM Secretariats as well as the Caribbean Development Bank and the UN Multi-Sector Regional Planning Project.

Fiscal Planning

23. This is another area in which significant progress towards regional co-ordination has been recorded. The introduction of a harmonized regime of fiscal incentives for industrial development has already been noted. In the area of joint negotiation of double-taxation agreements some progress has occurred with the negotiation of a MDC/LDC Double Taxation Agreement, and the initialling in December 1976 of a Draft Agreement jointly negotiated by the ECCM States and Belize with Canada. The fiscal adviser to the MSRPP was a consultant to the ECCM in these negotiations.

24. In the area of direct taxation of companies and individuals a model draft income tax law has been prepared under the auspices of the ECCM by a legal draftsman working in consultation with the fiscal adviser of the MSRPP and based on detailed fiscal reviews previously completed for the States of Dominica and St. Vincent. This model draft has been adopted as the basis for new legislation for the taxation of companies and individuals in at least five of the LDC member states of the Community.

25. Work has already begun on the detailed research necessary to bring about the eventual harmonization of the two basic tariffs which now exist within the Community, one serving the LD's and one serving the MDC's. It is anticipated that co-operation in this sphere will continue in the immediate future.

Machinery for Exchange of Information
Between Planning Agencies

26. The Committee of Officials in charge of National Planning Agencies of Member States of the Caribbean Community was established under Article 45 of the Annex to the Treaty of Chaguaramas establishing the Caribbean Community in 1973. Thus Committee constitutes the formal machinery for exchange of information between planning agencies of member states, and is one of the institutions of the Community reporting to the Common Market Council, which, together with the Conference of Heads of Governments, constitute the two main organs of the Caribbean Community.

27. Under Article 10 of the Treaty of Chaguaramas several other institutions of the Community have been established to facilitate co-ordination and collaboration in various areas of sectoral planning. These institutions include:

- a) The Conference of Ministers responsible for Health;
- b) The Standing Committee of Ministers responsible for Education;
- c) The Standing Committee of Ministers responsible for Labour;
- d) The Standing Committee of Ministers responsible for Foreign Affairs;
- e) The Standing Committee of Ministers responsible for Finance;
- f) The Standing Committee of Ministers responsible for Agriculture;
- g) The Standing Committee of Ministers responsible for Mines.

The meetings of each of these Committees of Ministers are preceded by meetings of technical officers who examine and make recommendations on the various issues of interest. Since in the context of Caribbean Community Member States a good deal of planning in each sector is done by the particular Ministry concerned with planning agencies acting merely as co-ordinating secretariats, these Standing Committees of CARICOM

Ministers represent an important medium for co-ordination and exchange of information.

Training in Planning Techniques in the Sub-Region

28. There are three major levels through which resources are provided for training in planning techniques in the Member States of the Community. The first is the academic level at the regional universities where courses are offered in development planning. The second is through bilateral technical assistance agencies such as the U.S. Agency for International Development and the Ministry of Overseas Development of the United Kingdom. The third is through multilateral technical assistance efforts such as those of the United Nations family or Organisations, the Organisation of American States, the Commonwealth Fund for Technical Co-operation. Projects which are financed from United Nations resources are usually endowed with a significant component of training resources to provide for both the in-service training of local counterpart personnel as well as for scholarships to local personnel at universities and other institutions of higher education outside of the country.

29. These efforts notwithstanding, there remains a large unsatisfied need within the Caribbean Community for training of local personnel in all aspects of planning, as well as in other related areas such as statistics and project identification and evaluation. Proposals for technical assistance being presented to various agencies at present include requests for increased resources to be devoted to training in planning as well as other aspects of public administration.