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ECONOMIC COMMISSION FOR LATIN AMERICA Subregional Office for the Caribbean



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ECLA/CDCC-OECS CONSULTATIONS
SUBSEQUENT TO CDCC VII

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#### NOTE ON ECLA/CDCC-OECS CONSULTATIONS SUBSEQUENTAL

#### TO SEVENTH SESSION OF GDCC

At the Seventh Session of CDCC it was decided that establishment of ECLA/CDCC-OECS co-ordination was a matter of priority, and that "the precise mechanism for the necessary co-ordination should be determined through further consultations between the two secretariats and member governments should be kept informed of the results of these consultations''. This decision complemented the previous decision of the Authority of OECS mandating the Director General of the OECS Secretariat to pursue discussions with the CDCC with a view to clarifying and defining the nature of the proposed relationship.

- 2. Discussions between the Director General OECS and the Director ECLA Sub-regional Office for the Caribbean, were followed by submission of an OECS memorandum titled "Relations between the OECS and the ECLA/CDCC Sub-regional Office for the Caribbean" to the member governments in February 1983, in which were outlined some suggestions for the development of the CDCC/OECS relationship. That memorandum together with a background paper were the basis for discussion of the item "Relationship between the CDCC and the OECS" at the First Meeting of Foreign Affairs Officials, St. Lucia 19 April 1983.
- 3. Parallel with this documentation, a draft set of proposals comprising the nature of the understanding that might be reached with ECLA/CDCC, and an outline for programme of work was placed before the officials for consideration. This set of proposals titled "Draft Memorandum of Under-standing on ECLA/CDCC-OECS Collaboration", was prepared jointly by representatives of the two secretariats. The draft was based on the prior memorandum circulated to the Governments by the OECS Secretariat.
- 4. The Draft is reproduced at pages three (3) to seven (7) of this note. In its first part, it outlines the background, scope, priority for work, the mechanism for effecting co-ordination, and the reciprocal relationship between the two secretariats for participation in meetings. In its second part, the Annex, an outline of the Medium Term (1983-88) programme of work by main subject areas is presented.

- 5. In their discussions of the draft, the Officials
  - (a) endorsed the priority area of action as being work towards advancing the ECCM to Customs Union;
  - (b) stressed the importance of assisting the OECS with analyses in international trade (particularly as regards ACP and GATT Obligations), and including commodity studies;
  - (c) commented on the need for co-ordinating assistance to the training programme being mounted by the OECS:

No substantial amendments were made to the Draft which is now being submitted to the Ministers of Foreign Affairs for final approval; and which it was decided should be the initial basis for ECLA/CDCC to proceed with its considerations.

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#### DRAFT

#### MEMORANDUM OF UNDERSTANDING

ON

## ECLA/CDCC - OECS COLLABORATION

- 1. Pursuant to consultations initiated by the CDCC Resolution II (VI) "Increased ECLA Support to Eastern Caribbean Countries" and subsequent decisions of the Second Meeting of the Authority of OECS and the Seventh Session of the CDCC, the Secretariats of the ECLA/CDCC and the OECS have drawn up this memorandum of understanding involving a programme of mutual collaboration related to the technical studies necessitated by the process of integration, and increased support to the OECS.
- 2. The technical collaboration between the two Secretariats will concern itself generally with advancing the ECCM integration process toward the stage of Customs Union; analyses of international trade and the development of commercial policies; the identification of possibilities for ECDC and TCDC relationships with relevant Latin American countries and the facilitation of such relationships, the co-ordination of CDCC sub-programmes in the OECS area; (and the training activities required by the OECS Governments).
- 3. Priority would be given to that part of the programme directed to the establishment of Customs Union to serve the OECS area, within the terms of the ECCM Agreement. These tasks will necessarily be undertaken, in close collaboration with officials of the OECS Secretariat, and the appropriate officials of the member Governments.
- 4. Parallel with this activity, ECLA/CDCC will undertake the introduction of such measures as are necessary for increasing the OECS participation in and enhancing the benefits to be derived from CDCC programmed activities.

- 5. To give effect to the realization of a continuing appropriate relationship between the OECS and ECLA/CDCC
  - (a) ECLA/CDCC would establish a division of its Subregional office in the OECS area, subordinate to the
    Sub-regional office, but with the authority to pursue
    relationships with the OECS Governments and the OECS
    Secretariat and with appropriate resources for undertaking the agreed work programme;
  - (b) ECLA/CDCC would undertake negotiation with the host country for the establishment of the division;
  - (c) The OECS Secretariat will assist with obtaining access to data required for undertaking the work of the division in the OECS Sub-region;
  - (d) The outlined medium-term programme of work (1983-88), attached as Annex will be the focus for technical collaboration.
- 6. Concerning the formalization of relationships including attendance at CDCC and OECS meetings, the OECS Secretariat would have Observer Status at ECLA/CDCC meetings with a reciprocal right granted to the ECLA/CDCC, with the proviso that the ECLA/CDCC Observer be a national of a CARICOM country.

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## ANNEX TO DRAFT

#### MEDIUM TERM

# PROGRAMME OF WORK (1983-1988)

# I Economic Integration

Initiation, organization and carrying out of technical work involved in advancing the ECCM integration process towards the stage of Customs Union as proposed by the Authority:

- review of the current status and operation of the ECCM common external tariff (cet);
- review of the national customs regulations and administrative procedures with a view to achieving greater harmonisation;
- review of the phasing processes for the ECCM cet to approach harmonisation with the CARICOM cet;
- preparation of recommendations for amendments to achieve fuller implementation of the ECCM cet, and schedule of adjustments for transition to CARICOM cet;
- preparation of recommendations for harmonisation of customs regulations and administrative procedures for implementing unified customs processes;
- consideration and recommendations for achieving a unified customs administration.

## II Assistance on international trade-matters ...

Initiation and carrying out of studies in international trade of the OECS countires, with emphasis on:

- the situation and prospects of the traditional export products;

- the possibilities for development of non-traditional export products, in conjunction with similar initiatives being pursued by CARICOM and the CDB;
- the development of external trade policies appropriate to the OECS countries and consistent with their CARICOM commitments, and relationships with ACP and the GATT.

# III <u>Facilitation of TCDC and ECDC relations</u> between the OECS countries and relevant Latin American States:

- identification of feasible ECDC possibilities in the public and private sectors as appropriate;
- identification of TCDC possibilities, and assist with establishing the appropriate linkages between the OECS countries and the relevant Latin American countries;
- assist the OECS in the mobilization of resources for implementing the identified feasible ECDC and TCDC activities;
- emphasis on transfer and applications of science and technology appropriate to the OECS countries.

## IV Assistance with Co-ordination of CDCC Sub-programmes in the OECS area

Assisting the OECS in liaising with technical officers of the ECLA Subregional office in developing the specific components for the CDCC Sub-programmes to enable the OECS countries to participate more fully in CDCC activities:

- strengthening of the information documentation units to facilitate utilization of the services of the Caribbean Information System.

- identification and formulation of specific components for the CCST projects applicable to the circumstances of the OECS countries within the context of OECS efforts as co-ordination of set programmes in the region.

# V Assist the OECS with Training Courses and Workshops

In particular giving assistance in organising and running national seminars, in economic planning and sectoral programming, training of mid-level statistical personnel, and documentalists and librarians.

VI Assist the OECS with such activities as are calculated to further the purposes of the Organization as the member states may from time to time decide.

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