

Creating Caribbean Champions

Twenty years after the launch of the ACS, the 5th Summit is seeking to revisit the project of building a true Caribbean economy, writes the Ministry of Trade & Industry

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During the first four months of the year 2013, Haiti is host to two major regional events. The first, on February 18-19, was the 24th Summit of Heads of State and Government of CARICOM, and the second, on April 23-26, will be the Fifth Summit of Heads of State and Government of the Association of Caribbean States. This confirms, if such a confirmation were indeed required, the country's will to resolutely take its place and fully assume its role in the Greater Caribbean. Recall that the country joined the two regional associations in 1994 (ACS) and 2002 (CARICOM) respectively.

The CARICOM Summit provided the opportunity for the country to place on the agenda important items regarding: 1) the use of French as the second working language of the organisation; 2) the establishment of a Caribbean merchant fleet to connect the islands, removing the greatest obstacle to regional trade development and true integration; 3) the adoption of a common work programme on the traceability of agri-food products; 4) the alignment of its customs tariff with the Common External Tariff (CET), negotiated within the framework of the Council for Trade and Economic

Development (COTED). Haiti's proposals were very favourably received and some representatives did not conceal their great enthusiasm at Haiti's commitment to take its place in the business of the region. French was adopted as the second working language and the country signed a Memorandum of Agreement and a Letter of Intent with two countries in the region, Guyana and Suriname respectively, to work together on the establishment of a Traceability Protocol. This system should guarantee the access of agricultural and agri-food products from the region to the USA, Canada and the countries of the European Union from January 2014.

With the accession to office of President Michel Joseph Martelly, the statement "Haiti is open for business" has become more than a slogan. It is the symbol of renewal. The President has not ceased to repeat in every international forum his desire to "move the country away from the era of assistance to that of productive investments that would generate employment and social stability factors". It is clear that with all the existing opportunities with regard to infrastructure to be built, the country's proximity to large markets, its cultural and tourism assets and mines to be exploited, Haiti's potential for growth is among the highest in the region. There are efforts to be made in all areas and the government, led by Prime Minister Laurent S. Lamothe, is working in this regard. From business legislation to maintaining a stable macroeconomic framework, simplifying procedures and facilitating investments, reforms are underway in all areas in order to transform the country into a land of choice for private investment.

The theme of the upcoming Summit, "Revitalizing the Vision of The Association of Caribbean States for a Stronger and More United Greater Caribbean" is proof of the ambition of the Heads of States to overcome the temptation of isolationism and take advantage of the region's economic complementarities, in order to boost economic growth and regional solidarity. As Haiti's contribution to that purpose, this article presents an idea aimed at promoting trade among member countries, through the concept of "champion products".

Champion Products – The Project

From the declared ambitions of the Heads of State of the region, it is clear that this Fifth Summit is in harmony with the founding ideas of the association. Indeed, upon its establishment in 1994, the association committed to



Haiti's Café REBO: By the end of the 18th Century Haiti was producing 60 per cent of the world's coffee

“transforming the Greater Caribbean region into a zone of co-operation”, which “will consist first of all in joint actions in the priority areas, namely trade, sustainable tourism, transport and natural disaster management” aimed at “consolidating a Caribbean identity” and “making the Caribbean Sea a common patrimony of the region and an invaluable asset”.

The potential is obvious. The ACS today consists of twenty-five (25) Member States and 4 Associate Members and non-independent territories, from Mexico in the north to the States of Colombia, Venezuela, and the Guyanas in the south, with a total population of 250 million and an area of 2 million square kilometres, a GDP of more than 500 billion US dollars and international trade amounting to 180 billion dollars.

Twenty years after the launch of this association, the April 2013 Summit is seeking to revisit the objective of building a true Caribbean economy that would benefit all the region’s inhabitants. Haiti’s desire, communicated by the current Minister of Trade and Industry, Mr Wilson Laleau, for all Member States to commit to jointly promote “champion products”, in order to boost investment and productive employment in the region, should be understood from this perspective.

The idea is for each country, within the framework of this project, to choose one or more flagship products, which all Member Countries are required to promote in their respective markets. In the first instance, this pilot project will take place over a period of four years according to the following bases and principles:

- Mutual reciprocity among ACS Member States;
- Consensual arbitration on the list of selected products in the event of duplication;
- Drafting of a Free Trade Agreement for Champion Products among ACS Member States.

It is expected that a range of at least 215 products may be mobilised for this project, with 5 flagship products per country and territory. The beneficiaries of this project would be first entrepreneurs, secondly by producers in rural and urban environments, consumers and, thirdly, the national economies of the Member Countries.

There are six main objectives of the “Champion Products” Project, as follows:

- To boost each country’s national production by an increase in demand from ACS Member States;
- To develop new support mechanisms for SMEs in ACS Member States;
- To develop new mechanisms for trade among ACS Member Countries;
- To create jobs in the value chains of the champion products;
- To improve the trade balance of the countries in the region;
- To reduce production costs via the local sourcing process.

In order to achieve the expected results, the following steps and activities are envisaged:

- The signing of preferential agreements for champion products of ACS Member States on the following bases and principles;
- The formulation of a request for authorisation to the WTO for the new trade and tariff provisions;
- The organisation of fairs dedicated to the champion products of ACS Member States in each of the 43 markets, on the initiative of Member Countries;
- The establishment of criteria for the selection of flagship products and the specificities of the programme;
- The implementation of a Caribbean Select Committee to approve the flagship products submitted by each country.

Finally, a steering committee will define guidelines and develop broad lines of actions, while ensuring the smooth operation of the project in participating countries and ensuring inter alia compliance with the signed agreements.

The implementation of this project can serve as a driver for the economic ambitions of the Caribbean States. It will enable Haiti, as well as each State, to effectively open itself up to business within the framework of a Greater Caribbean, with which effective regional co-operation and integration relations would have been established, thereby fostering the establishment and growth of a Caribbean economy that is competitive and deeply committed to the dynamics of global trade.

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Haiti’s Barbancourt rum: enjoyed by connoisseurs since 1862

