

Deepening regional integration

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Just a few months ago I had the honour, as President of the Dominican Republic, to be present in the accession of my country as a full member of SICA. Now, I am proud to serve as pro tempore President of SICA for the period January-June 2014, ensuring the continuity of Panama's efforts at strengthening the institutions and the legal basis of SICA.

With the Dominican membership of SICA, Central America now has a member at the very heart of the Caribbean, serving as a bridge between two of the components of the Caribbean Basin, whose peoples share similar challenges and opportunities.

It is precisely in the real needs of our peoples where we should find the impetus to deepen our integration efforts. The demands of our peoples should always drive and guide our progress. For social integration processes are stronger when they grow from the bottom-up instead of being driven from the top-down.

This is true at the national level, when different social sectors converge around a common development project. It is also true for regional integration, where various countries adopt common policies for the benefit of their peoples. In both cases, government action needs strong roots: the real needs of our peoples. That is why I believe most firmly that many of the issues of priority our countries face individually are also a good basis for deepening our regional integration.

Tourism, one of the traditional strengths of the Dominican economy, is a case in point. Our accumulated experience in this industry can be very useful. We look forward to presenting joint proposals and new options to increasing the attractiveness of our region to foreign visitors.

It is the case of education, in which we faced decades-old lags. But today, thanks to the movement that began with the commitment to invest 4 per cent of GDP in education, we are living a true educational revolution. It is a complete transformation involving the whole country, defeating illiteracy, dignifying the role of the teacher and placing education at the highest level of priority for government policies.

It is also the case of entrepreneurship, where SICA's Agenda for Micro, Small and Medium Enterprises (MIPYME) connects perfectly with our own domestic policies. For over a year now our administration considers credit to be a right for the enjoyment of

all of those who qualify, no matter their size or the sector they operate. In this fashion, through technical assistance and financial support, we are opening the doors to higher standards of living to even the smallest of businesspersons.

Of course, these credit facilities are especially relevant when granted to the agricultural sector, one which is recovering its drive and which is key for the food sovereignty of our peoples, whose urgent needs also include nutritional security if we are to have the competitive workers we will continue to need even more in the future.

We believe that not only in the Dominican Republic, but also in all SICA Member countries, support for our micro, small and medium enterprises is a key tool for creating a stronger, healthier and more diversified productive fabric. As a key element of this support, we have agreed to promote during our Presidency pro tempore joint initiatives favouring business and labour formalisation, an issue that has been pending in the region for too long.

Still today the informality of many businesses and jobs continues to condemn large parts of our economic activities to the most precarious conditions for survival, exposing those involved to illegality, unfair competition and tax evasion. This weakness affects not only our public finances but also helps perpetuate poverty and marginality to those affected – who are most in need of our governments' support – while at the same time delaying the deepening of our economic integration.

We trust, therefore, that in placing our bets on formalising and on providing credits to Micro, Small and Medium enterprises, we will be able to reach the very basis of our economies, delivering for them the promise of real benefits arising from economic integration and thus creating the middle-class societies we all aspire to become.

All of our countries are vulnerable, to a greater or lesser extent, to natural disasters. The Dominican Republic bets most firmly on prevention as well as on the coordination of our efforts. We have decided to facilitate the exchange of knowledge and good practices on the research and joint response to emergencies.

As governments, protecting lives is our foremost responsibility, not only nationally but also regionally. Let us then collaborate to the maximum extent possible so that we can face jointly the challenges presented

to us all by Mother Nature. Let us implement a new culture of prevention in our countries that help us mitigate damage and minimise the cost of responding to the many earthquakes, storms and hurricanes that hit us every year.

In the same manner, we also bet heavily in the development of infrastructure and more efficient mechanisms for regional connectivity that would increase the competitiveness of our economies in global markets. In this sense, it is essential that we should explore all possibilities to increase the frequency and the volume of all means of passenger and merchandise transport, now that we are all preparing for the post-Panamax world. It should also facilitate real and effective exchanges between our peoples and businesses.

Strategic sectors such as energy generation and distribution open up, also, spaces for cooperation between SICA Members. Our investment needs, especially in renewables, are infinite. While GDP growth accelerates in our countries, investment in generation is not keeping up with our needs. Our productive sectors, moreover, are not investing at all in energy conservation, such that their future growth requires lower energy inputs. These are clear challenges that must be faced by the region if we are to contribute our share to the reduction of greenhouse gases and, most crucially, to the efficiency and reliability of the energy systems for our peoples and businesses. Let us build on the interconnection achieved under Plan Meso-America to complete the network with oil and gas distribution, to diversify our energy matrix and to ensure a healthy surplus in generation while contributing to reducing greenhouse gas emissions.

Education, tourism, microcredits, agriculture, transport and energy are all part of a long list of sectors where we need to learn from each other, but also to find joint solutions with international investors, bringing technology, state-of-the-art management practices and fresh resources into the region. In such a way we should further strengthen the basis of Central American integration.

The most advanced process of regional integration in the world, the European Union, is already well advanced through the path we have yet to take. While it may not be going through one of its best moments, it continues to be an example for the world, having

overcome centuries-old rivalries by becoming a beacon of progress and prosperity with a common basis of European identity, with a common market ensuring the free movement of goods, services, labour and capital, with common programmes for investment in regional infrastructure and for achieving the convergence in the standards of living of all of its members.

Getting to where the European Union is today required all of its member states to think that the good of my neighbour is also in my benefit. Let us advance in the same direction, by building in Central America a new culture of cooperation and regional identity.

Personally, I am convinced that what is best for SICA Countries is also the best for the Dominican Republic. Because all of our agreements, rules, institutions and joint projects must respond to the duty we all have to deliver on the needs of our peoples. Because the integration process must transcend our exercises in summitry. Because the integration process must become part of the daily life of the men and women of our region.

We know what we want: freer and more prosperous countries; healthier, safer and more educated societies; more competitive and integrated economies; and more participative and transparent governments.

The Dominican Republic has decided most firmly to take this path, to contribute to the process of regional integration with the enthusiasm and the will to be the Caribbean friend for Central-Americans, the open door Central America has in the heart of the Caribbean and, from here, to the rest of the countries of the world.

We believe that support for our micro, small and medium enterprises is a key tool for creating a stronger, healthier and more diversified productive fabric



HE Steven Fisher, British Ambassador to the Dominican Republic; Rt Hon Hugo Swire MP, Minister of State for Foreign and Commonwealth Affairs, HE Danilo Medina, President of the Dominican Republic; Carlos Morales Troncoso, Minister of Foreign Affairs of the Dominican Republic and HE Federico Alberto Cuello Camilo, Ambassador of the Dominican Republic to the United Kingdom