

# Regional Cooperation & Approaches: Policies, Practice, Prospects

**Small States Network for Economic Development**

**Carl B. Greenidge,  
*Deputy Senior Director, CRNM***

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**Venue:** World Bank, JB1-080

# How the CRNM Came About

- In the mid 1980's 3 points became clear to the leaders of Caribbean Governments namely that:
  - external trade arrangements were going to be extremely important in the region's adjustment to the challenges of the changing international environment.
  - the careful negotiation of these arrangements would be essential in enabling the Caribbean to take advantage of development opportunities in areas where the Caribbean may have a potential competitive edge.
  - Given the distribution of human and financial resources in the region the external negotiations by 14 or 15 states operating individually would be costly and ineffectual – none would have the necessary critical mass to be effective over time
- They agreed to approach the negotiations in a coordinated, managed and systematic manner.
  - To this end a separate organization was eventually created with the dedicated task of managing the negotiation process under direction of the Regional Governments
  - For obvious reasons it was widely accepted that it should work closely with the regional integration agency which may have had neither the resources or the facilities to give it the priority it deserved.

The membership comprises the independent states of CARICOM, as well as Cuba and the Dominican Republic.

### **CARICOM**

- Antigua & Barbuda,
- Bahamas,
- Barbados,
- Belize,
- Cuba,
- Dominica,
- Grenada,
- Guyana
- Haiti

### **Rest of CARICOM plus 2**

- Jamaica,
- St. Kitts and Nevis,
- St. Lucia,
- St. Vincent & the Grenadines
- Suriname and
- Trinidad & Tobago
- Cuba
- Dominican Republic

# Mandate

- The Conference of the Heads of Government of the Caribbean Community (CARICOM), in recognition of these challenges, formally established the Caribbean Regional Negotiating Machinery (CRNM) in April 1997.
- The CRNM is responsible for developing and maintaining a cohesive and effective framework for the coordination and management of the Caribbean's external trade negotiating resources and expertise. Its mission is to help Member States maximize the benefits of participating in global trade negotiations by:
  - Providing sound advice
  - Facilitating the generation of national and regional positions
  - Coordinating the formulation of a cohesive negotiating strategy
  - Leading negotiations where appropriate
- The CRNM also:
  - represents the trade interests of the Dominican Republic, and Cuba in specific negotiating arenas.
- CARICOM Member States along with Cuba and the Dominican Republic are collectively known as CARIFORUM, which is an acronym for the Caribbean Forum of the African, Caribbean and Pacific Group of States (ACP).

# Negotiating Theatres

The CRNM engages in negotiations at four general levels:

- *Multilateral Level*
  - **World Trade Organization (WTO);**
- *Inter-regional Level*
  - **Economic Partnership Agreement (EPA) with the European Union;**
- *The Hemispheric Level*
  - **Free Trade Area of the Americas. (FTAA).** These negotiations are now dormant;
- *Bilateral Level*
  - **Agreements between CARICOM and other countries** such as Canada and the Dominican Republic.

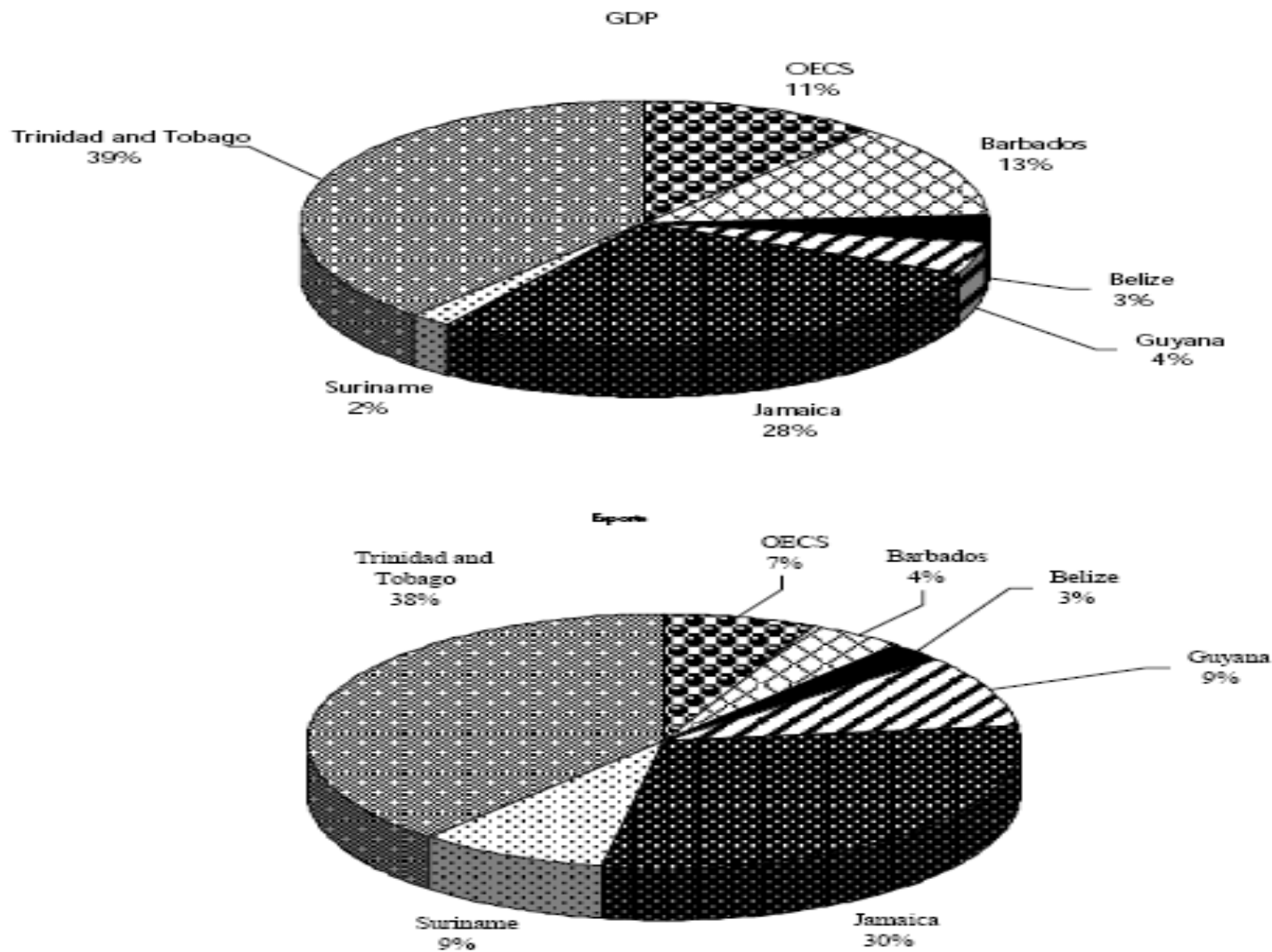
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# The Nature of CF Trading Arrangements

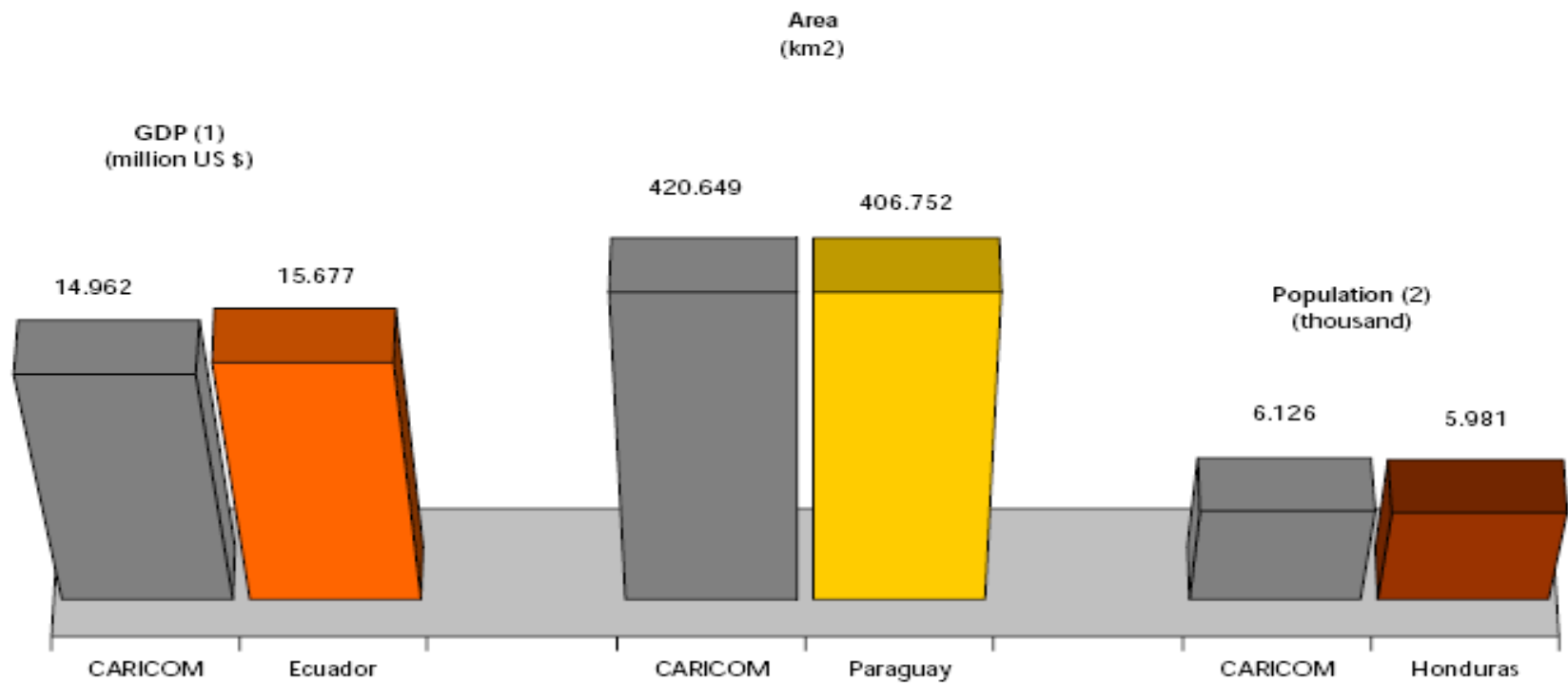
## Caricom Dependence on Preferences:

- Special trade arrangements with protected markets:
  - Lomé/ Cotonou
  - EAI and CBERA
  - C'bean Basin Trade Partnership Act (exp. 2008) applies to 7 states
  - Caribbean
- Bilateral agreements covering services and reciprocity:
  - Caricom-CR FTA – A limited products reciprocal agreement in 2003. Aug 2007 CACM initiated negotiations to accede.
  - Partial Scope Agreements – Belize/Guatemala & Guyana/Venezuela (reciprocal)
  - Bilateral Investment Treaties
  - Venez 1992– non-reciprocal trade and investment agreement
  - DR-Caricom Dec 2001- Ltd market access agreement
  - Colombia – same in 1994
  - Cuba- July 2000 Ltd mkt access trade and Econ Coop Agreement

**GRAPH 2**  
**PARTICIPATION OF INDIVIDUAL MEMBER STATES**  
**IN CARICOM'S GDP AND EXPORTS (1996/1997)**



**GRAPH 1**  
**THE LIMITED SIZE OF THE CARIBBEAN COMMON MARKET**



Notes: (1) GDP figures for CARICOM are for 1997 for the Larger Caribbean States (Barbados, Belize, Guyana, Jamaica, Suriname and Trinidad and Tobago) and for 1996 for the OECS countries. GDP for Ecuador is a 1997 figure.  
 (2) Latest figures available.

# Broad Consultation and Negotiation Process

## Caribbean Heads of Government

The Caribbean Heads of Government maintain the highest level of oversight and approval of the regions external trade negotiations.



## Prime Ministerial Sub-Committee on External Negotiations

Reviews COTEDs recommendations and provides further management and guidance on external negotiation positions. It submits recommendations to Caribbean Heads for approval.



## CARICOM Council for Trade and Economic Development/CARIFORUM Council of Ministers

Recommendations of the College and TWGs are submitted to COTED for review and approval.



## CRNM and College of Negotiators

CRNM provides technical advice and coordinates the negotiations through the College.



## Technical Working Groups (TWGs)

CRNM convenes regional TWGs to discuss each negotiating subject. These meetings include senior officials from Member States; the Regional Secretariats; representatives from the regional private sector; the CRNM; and external experts as necessary. The purpose of the TWGs is to provide fora for regional consultation needs to develop proposals and build consensus.



## National Consultations

Take place to arrive at national positions on negotiation issues. This process includes members of the private sector and non-governmental organizations.

# Thank You

**Please visit our Website:**

<http://www.crnmm.org>

## **Contact:**

**Carl B. Greenidge**

[carl.greenidge@crnm.org](mailto:carl.greenidge@crnm.org)

**Tel: +1246 430 1670 Fax: +1246 228 9528**