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JOINT COMMUNICATION TO THE COUNCIL JOINT EU-CARIBBEAN PARTNERSHIP STRATEGY

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INTRODUCTION

At the May 2010 EU-CARIFORUM¹ Summit in Madrid, Heads of States and Governments agreed to work on a Joint EU-Caribbean Partnership Strategy (JECS) and identified five core areas for closer cooperation: regional integration, reconstruction of Haiti, climate change and natural disasters, crime and security and joint action in multilateral fora. Based on the outline agreed by Heads of State in Madrid, the present document has been elaborated by a joint working group, including the European External Action Service (EEAS) and Commission services, and representatives of EU Member States and CARIFORUM countries.

The EU and the Caribbean share a long history and a broad base of common values. Through its overseas regions, countries and territories, the EU is also physically part of the Caribbean. Both regions share a commitment to global peace, progress and prosperity as well as to democracy and the rule of law. For the Caribbean, the EU has been and remains a reliable development partner, whose support has been important in the region's efforts towards sustainable development.

Relations are currently underpinned by the Cotonou Agreement, the EU –CARIFORUM Economic Partnership Agreement, and the bi-regional political dialogue. These are complemented by other regional cooperation frameworks in which the EU and the Caribbean participate, such as the EU-Latin American and Caribbean (LAC) Partnership.

This draft Joint Strategy aims to develop a new dimension to the relationship, allowing the EU and the Caribbean nations to deepen dialogue and structure their cooperation in order to address together the challenges and opportunities of the 21st century. The guiding principles for the Joint Strategy are joint ownership, mutual accountability and solidarity, comanagement and co-responsibility. It reflects the shared commitment of CARIFORUM and the EU to the principles enshrined in the UN Charter and in international law, including in particular the respect for and promotion of human rights and fundamental freedoms, rule of law and democratic governance.

The purpose of this Joint Communication is to seek the endorsement by the Council of the proposed "Joint EU-Caribbean Partnership Strategy".

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The group of CARIFORUM countries includes: Antigua and Barbuda, Bahamas, Barbados, Belize, Cuba, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago

1. THEME I: REGIONAL INTEGRATION AND COOPERATION IN THE WIDER CARIBBEAN

1.1. OVERVIEW

There is potential to expand growth in the Caribbean through trade, investment and tourism and by developing niche markets and other economic opportunities. However, there are also persistent challenges to overcome. Globalisation have left small, vulnerable developing states such as those in the Caribbean challenged in trying to fully participate in a highly competitive global economy.

Regional integration and cooperation is considered the best means to facilitate human and social progress and sustainable long-term development in the Caribbean. The Caribbean Community (CARICOM) and the Organisation of Eastern Caribbean States (OECS) are the two principal regional integration organisations. CARIFORUM² facilitates regional cooperation as does the EU's association with its overseas countries and territorities (OCTs). The EU, based on its own experience continues to be an active partner in supporting regional integration and cooperation to accelerate and streamline development goals in the Caribbean. The CARIFORUM-EU EPA builds a trade partnership for increased competitiveness, economic growth and development, supporting regional integration in the Caribbean and participation in the world trading system.

1.2. GOALS AND OBJECTIVES

The Caribbean and EU share a commitment to promoting regional integration and cooperation which are particularly effective in addressing the vulnerabilities associated with a group of countries of predominantly small island states. Both sides have identified specific areas of strategic cooperation in support of deepened regional integration and cooperation, facilitating sustainable economic and human development. The areas of cooperation include but are not limited to:

- Strengthening regional integration and cooperation processes in the Caribbean region including with neighbouring EU overseas departments and territories, as well as neighbouring countries in Central and South America;
- Implementation of the Caribbean Single Market and Economy and of the OECS Economic Union;
- Effective implementation of the EU-CARIFORUM EPA, with an emphasis on the opportunities it offers to the economic operators in the Caribbean;
- Fostering of a healthy economic and investment climate in the Caribbean enhancing the integration of regional markets and competitiveness at the international level;
- The development of enterprise through private sector investments particularly in the service sector including financial services and tourism and the cultural industries, in

² CARIFORUM memebership includes all the CARICOM Member States, (except Montserrat), and non-CARICOM members the Dominican Republic and Cuba.

agro-business and manufacturing. Promote innovation, information, communication and technology and competition;

- The development of infrastructure networks to facilitate intra-regional and international trade:
- Energy diversification, interconnection and security;
- The promotion of green economic growth with specific support for efforts to preserve bio-diversity, taking account of the importance of water resources, the tourism industry, and the agricultural and the bio-research sectors;
- Education, skills development through training and cooperation in the area of science and technology;
- Regional approach to Food security and health;
- The promotion of poverty alleviation, social cohesion, social dialogue, development of civil society, including social partners, non-discrimination and gender equality, the promotion of decent work and internationally recognized labour standards and enhancement of youth involvement in national development.

1.3. **JOINT ACTION**

The Partners will pursue a long term programme of joint action focused on growth and sustainable development, and addressing common challenges, with particular emphasis on regional integration and cooperation.

Joint actions in this context could include:

- An intensified and inclusive EU-Caribbean political and policy dialogue addressing issues of interest to both regions and global challenges;
- Actions contributing to coherence among the various integration and cooperation arrangements involving the Caribbean, including the ACP-European Union partnership, the EU-LAC cooperation mechanisms and the EU/OCT association;
- Actions contributing to deepening regional integration and cooperation including the strengthening of institutional capacities of regional organisations in the Caribbean and at the national level to increase effective definition, implementation and sustained follow-up of policies at the regional level;
- Support to efforts of institutional consolidation at regional and sub-regional levels.
- Programmes contributing to effective implementation of the CARIFORUM-EU EPA, the CARICOM Single Market and Economy (CSME) and the OECS Economic Union as well as strengthening links between CARIFORUM and the EU's OCTs and ORs particularly in areas of trade and energy;
- Actions contributing to create a healthy economic and investment climate and fostering productive capacities in the Caribbean:

- Development of industrial and export strategies;
- Research & Development and training in the areas of innovation, science and technology;
- Reinforcing Competitiveness and promoting innovation;
- Regional business development, with particular emphasis on development of regional SMEs;
- Energy, with particular emphasis on renewable energy;
- Interconnectivity, including transport and information and communication technology.
- Contribute to the promotion of decent work and internationally recognized labour standards to support human development, social cohesion and economic growth;
- Contribute to the development of a Caribbean wide framework for an effective regional health strategy;
- Work towards development of a strategy on food security, quality and diversity, in the Caribbean, making use of new technologies to improve productivity and competitiveness.

2. THEME II: RECONSTRUCTION AND INSTITUTIONAL SUPPORT TO HAITI

2.1. OVERVIEW

On 12 January 2010, the Republic of Haiti suffered one of the most devastating earthquakes in modern times. An estimated 250 thousand people lost their lives and 1.5 million were left in need of emergency shelter. The earthquake caused massive damage to social and economic infrastructure. The earthquake exacerbated the country's existing problems: poverty, insecurity, environmental degradation and vulnerability to disasters. The 2009 UN Human Development Index ranked Haiti 145 out of 162 countries.

Haiti has been prioritised within this Joint Caribbean-EU Partnership Strategy because of the magnitude of its needs. Lessons learnt, particularly in disaster risk reduction and reducing vulnerability, will also be relevant across the entire Caribbean region.

2.2. GOALS AND OBJECTIVES

Haiti is on the road to recovering from its most urgent needs, thanks also to substantial EU and Caribbean humanitarian aid. The country still faces, however daunting reconstruction, economic and social challenges. Consolidating Haiti's democratic institutions, improving governance, the reduction of poverty and social inequities and the consolidation of the administration remain formidable challenges to which the EU and the Caribbean could provide substantial and complementary support, in full coordination with the Haitian government and with other international donors. There is also scope for enhancing Haiti's integration into the Caribbean regional context. The joint programming of the EDF will contribute to advance Haiti's role in the intra-Caribbean cooperation and foster increased participation in the regional integration process.

2.3. JOINT ACTION

CARIFORUM and EU joint actions in this context could include:

- Coordinating actions in support of the reconstruction of Haiti, within existing donor coordination structures, and develop the joint CARIFORUM-EU actions building on the joint EU programming for Haiti;
- Mobilising relevant cooperation instruments in the framework of ACP-EC Partnership Agreement and the EU-LAC process;
- Supporting the functioning and consolidation of Haitian democracy through free, transparent and credible elections, respect for and promotion of human rights and the rule of law, judicial reforms and the strengthening of civil society as well as urgent measures to fight corruption;
- Actions to ensure Haiti's full participation in the CARIFORUM-EU EPA and Carribbean Single Market and Economy (CSME), including the development of institutional capacity in Haiti;

- Actions in the area of disaster preparedness and risk reduction strategies, including the development of mechanisms such as a regional building code to improve the capacity of the region to mitigate the effects of natural disasters;
- Developing risk transfer mechanisms and financing for risk reduction, such as the Caribbean Catastrophic Risk Insurance Facility (CCRIF), the application of best practices to the Caribbean Disaster Emergency Management Agency (CDEMA) and other Caribbean wide institutions specialising in disaster management.

3. THEME III: CLIMATE CHANGE AND NATURAL DISASTERS

3.1. OVERVIEW

Climate Change and its consequences are key obstacles to development and the achievement of the Millennium Development goals. Caribbean countries are mostly Small Island Developing States, have low-lying coastal zones and are particularly vulnerable to the effects of rising sea levels, threatening coastal communities, infrastructure and freshwater supplies. The increase in temperature and acidity of sea water caused by greenhouse gases causes serious damage to coral reefs, leading to the degradation of the region's marine biodiversity.

The small size of most Caribbean nations also make them more vulnerable to the impact of natural disasters. A single hurricane can wipe out the economic base of an entire country, including infrastructure and all main sources of economic activity and income, putting additional strain on limited financial resources. The challenges are compounded by difficulties of distance and geography, which hamper the broadening and consolidation of their economic base.

3.2. GOALS AND OBJECTIVES

The EU and CARIFORUM Member States, as signatories to the Kyoto Protocol, have worked together to advance climate change negotiations, and developed policies to reduce the impact of climate change and environmental degradation. They share an interest in achieving a comprehensive, fair and legally-binding outcome under the United Nations Framework Convention on Climate Change (UNFCC). The CARIFORUM member states and the EU will continue their efforts to reach an ambitious international climate agreement.

Natural hazards such as hurricanes and earthquakes cannot be avoided, but steps can be taken to reduce risks and mitigate impacts by addressing the root causes of vulnerability and increasing capacity to cope with the consequences. Five priority areas have been identified for cooperation:

- adapting to the effects of climate change without prejudice to achieving the Millennium Development Goals;
- strengthening disaster prevention and risk reduction as well as enhancing monitoring, situation awareness, assessment and early warning systems for disaster management and response;
- reducing deforestation through the sustainable management of forests;
- enhancing participation in the global carbon market through the Clean Development Mechanism (CDM);
- integrating climate change into poverty reduction efforts.

3.3. **JOINT ACTION**

CARIFORUM and EU joint actions in this area, in line with the Global Climate Change Alliance (GCCA) objectives and the EU-LAC Madrid Action Plan could include:

- Enhancing cooperation in international negotiations, including through regular consultations and joint initiatives to promote the successful conclusion of a post-2012 international climate agreement under the UNFCCC;
- Supporting a comprehensive approach to address climate change by prioritizing adaptation and mitigation measures, in particular by adapting the principles of green growth and by providing access to renewable energy;
- Strengthening regional disaster and emergency response capacity, with particular emphasis on adaptation, disaster risk reduction and interoperability, as well as monitoring, situation awareness and early warning systems. In this context, also work on the linkage between short and long term actions;
- Mainstreaming climate change policies into national and regional development policies and strategies as well as into cooperation/partnership agreements;
- Ensuring that the vulnerability of SIDS and low-lying costal countries remains high on the global development agenda, including in the ACP-EC Partnership Agreement and the EU-LAC process;
- Encourage a greater role for training, research&development and technology transfer and eco-innovation;
- Recognize the Caribbean Sea as a special area in the context of sustainable development and work to support frameworks aimed at protecting its fragile ecosystems and unique bio-diversity.

4. THEME IV: CRIME AND SECURITY

4.1. OVERVIEW

Transnational criminal activities, in particular trafficking of illicit drugs and related crimes, represent a growing concern for the EU and the Caribbean. The Caribbean is a major transit region for illicit drugs from South and Central America; the collateral damage of the drug trade is huge and takes an important toll on the societies: it fuels corruption, undermines the rule of law and leads to more organised crime. The increase in local drug trafficking and abuse weakens the social tissues and generates gang violence. The laundering of large amounts of illicit money distorts the economy and undermines efforts of sustainable development. This situation has a detrimental effect on long term prospects of growth, stability and development.

Areas of specific concern to the Caribbean and the EU include:

- Trafficking of drugs and related crimes including gang violence and money laundering;
- Illegal traffic and trade in small arms and light weapons;
- Impact of criminal activities on human security of Caribbean societies;
- The social and security problems created by the return of criminals back to the Caribbean from overseas;
- Trafficking in persons and kidnapping;
- Insufficient capacity for maritime and airspace border control;
- Non-compliance with international standards in the financial sector.

4.2. GOALS AND OBJECTIVES

Working together to fight criminal networks is a priority of the Joint Strategy. Strengthening cooperation and capacity building in areas such as policing, judicial processes, and intelligence sharing are key aspects in this regard. Equally, the root causes behind criminal activity and the social impact need to be addressed.

EU-Caribbean cooperation in the fight against drugs is conducted in the onctext of the EU-LAC Coordination and Cooperation Mechanism on Drugs. The "Panama Action Plan" and the priorities identfied in Port of Spain in 2007 sets out a range of priorities for common action in this regard. Caribbean-EU cooperation in the fight against crime should also include cooperation with the relevant UN organizations, Interpol, OAS and Europol and include exchange of information and best practices.

4.3. **JOINT ACTION**

CARIFORUM-EU security cooperation is based on the principles of shared responsibility between producing, transit and drug consumer countries. It aims to develop integrated and balanced approaches.

CARIFORUM and EU joint actions in this context could include:

- Supporting the establishment of a region-wide strategy for addressing crime, insecurity, drug trafficking, financial crime etc;
- Renewing efforts to implement the "Port of Spain priorities" in the areas of control of the most vulnerable ports; intelligence sharing in precursor control; programmes to adress root causes of crime and delinquency and demand reduction; as well as the promotion of compliance with the OECD Financial Action Task Force Recommendations and the increased cooperation among regional and international bodies, including the UNODC;
- Capacity building in border control management, including exchanges of experts and technical assistance;
- Fully implementing the UN Programme of Action to prevent, combat and eradicate the illicit trade in small arms and light weapons with maritime cooperation as a priority area, including information sharing and further developing operational cooperation between interested actors in the Caribbean and EU Member States;
- Supporting capacity building of justice administrations and judicial reform in fighting transnational crime.

5. THEME V: JOINT ACTION IN BI-REGIONAL AND MULTILATERAL FORA AND ON GLOBAL ISSUES

5.1. OVERVIEW

The Caribbean and the EU face a number of common challenges and concerns and are committed to act in a coordinated manner to find joint responses at the international level. Political dialogue and consultations are already taking place at different levels to tackle global issues in bi-regional and multilateral fora, as illustrated at the recent COP 17 meeting in Durban.

Together, the CARIFORUM and the EU represent 42 countries. Through more frequent consultations, better alignment of positions and strengthened coordination, the two regions could have a more decisive impact on topics of mutual importance, such as: promotion of human rights, democratic values and governance; reform of the United Nations and the international financial system and institutions; coordinated response to the global financial and economic crisis; attainment of the Millennium Development Goals; and the conclusion of the Doha Development Agenda.

5.2. GOALS AND OBJECTIVES

The partners will strengthen dialogue on global issues to identify areas of cooperation, coordinate positions and jointly undertake specific initiatives and actions. Both partners wish to promote and sustain a system of effective multilateralism, with strong, representative and legitimate institutions. A higher degree of coordination of policies and exchange of information will allow for greater common impact in consultations and in sensitizing third parties on issues of mutual concern.

The EU and CARIFORUM countries will aim to coordinate in multilateral institutions of which they are both members (UN, International Financial Institutions, WTO, etc.) and they will endeavour to take into account the interests and concerns of the other party in international groupings or organizations to which either partner belongs (G8, G20, Alliance of Small Island States (AOSIS), etc.).

5.3. JOINT ACTIONS

Through policy and political dialogue, the two regions will consult on topics of broader interest and identify possible common positions as well as joint efforts towards the implementation of shared priorities.

Joint actions in this context could include:

- Working together on the promotion of human rights, democratic principles, the rule
 of law and good governance, including free and fair electoral processes, combating
 corruption, money laundering, financing of terrorism, organized crime and tax
 evasion;
- Working together on promoting reform of the UN System, with the aim of enhancing its representativeness, transparency, accountability, efficiency and effectiveness, including the comprehensive reform of the Security Council;

- Development, whenever possible, of joint regional positions within the UN system and the international financial institutions and strive to support each other's initiatives;
- Contributing to the modernization the IMF and World Bank to, inter alia, better reflect the changing world economy through greater representation of dynamic emerging markets and developing countries;
- Addressing the challenges of structural reforms that strengthen regulation and oversight, boost and sustain global demand and foster job creation in the bi-regional context through the Cotonou Agreement and the EPA as well as in the World Bank, IMF, the G8 and the G20;
- Developing instruments to strengthen financial safety nets, helping vulnerable countries to better resist sudden external shocks;
- In keeping with their commitment to a rules-based, multilateral trading system, regarding trade as a key engine for growth and development the partners will pursue regular consultations and an active negotiating agenda at the multilateral level to engage in across-the-board negotiations to bring the Doha Development Round, to a successful, ambitious, comprehensive and balanced conclusion, building on the progress achieved so far;
- Continue to support efforts to make developing countries, and in particular the small and vulnerable economies, more competitive on a global scale.

6. IMPLEMENTATION MODALITIES AND MONITORING MECHANISMS

6.1. IMPLEMENTATION MODALITIES

This partnership will involve, and be implemented by, a large number of institutional and non-institutional actors in the EU and in the Caribbean region at regional, national and local levels. Its effective implementation will be the shared responsibility of all CARIFORUM countries and EU Member States and institutions.

The identified joint actions should be complementary to and pursued through the existing agreements, structures and instruments for cooperation between the Caribbean and the EU to promote synergies and avoid duplication.

Civil society, non-state actors and parliaments have an important role in the implementation of the Joint Stategy and will be involved through an inclusive dialogue.

The implementation of the Joint EU-Caribbean Partnership Strategy will be financially supported as appropriate by existing instruments, such as the European Development Fund (EDF), the Development Cooperation Instrument (DCI), the European Regional Development Fund (ERDF), the Caribbean Development Fund, the EU Thematic Programmes, and the Instrument for Stability, the future Partnership Instrument, the Caribbean Investment Facility or their successors, as well as by financial institutions, such as the European Investment Bank (EIB) and the Caribbean Development Bank. Where relevant and possible, these instruments will be complemented by further contributions by CARIFORUM countries and EU Member States.

6.2. MONITORING MECHANISMS

The regular meetings of leaders from both regions (including all relevant representatives of EU and CARIFORUM institutions) will continue to provide political guidance to the partnership. These meetings will review progress, provide new orientations to the strategy and give instructions on the way forward taking into consideration new global challenges and regional imperatives.

In addition to the political dialogue, a Joint CARIFORUM-EU Working Group based in Brussels will periodically monitor and evaluate progress, and make appropriate recommendations. This working group will consist of officials from the European External Action Service, the European Commission, CARIFORUM and EU Member States, . Experts from the OCTs and Outermost Regions can be associated, where necessary. The working group will provide a progress report to leaders on a regular basis.