

CARICOM
competition
commission



CARIBBEAN COMMUNITY – BENEFITS AND CHALLENGES OF REGIONAL INTEGRATION

Presented by:

**Barry Headley, Senior Economist
Musa Ali Esq. , Registrar**

**CARICOM Competition Commission
Hendrikstraat 69,
Paramaribo, Suriname
December 15, 2014**



Where it all started





Integration timeline



- **1958 to 1962 (British Caribbean Federation Act)**
- **First and only attempt at Political Union**



- **1965-1973 (Dickinson Bay Agreement)**
- **Economic Union (free trade area)**



- **1973 – 2001 (Treaty of Chaguaramas)**
- **2001 – Present (Revised Treaty including the Caribbean Single Market and Economy (CSME))**
- **Foreign coordination/functional cooperation**



Organisation of Eastern Caribbean States (OECS)

Integration timeline



- **1966 to 1981 (Eastern Caribbean Common Market)**
- **Support the Windward and Leeward Islands in their progress towards independence**



- **1981 to 2010 (Treaty of Basseterre)**
- **Economic integration and cooperation in: external relations, human and social development, and defence**



- **2006 to Present (OECS Economic Union Treaty)**



Where we are today

Different levels of Integration



MERCOSUR



CARICOM



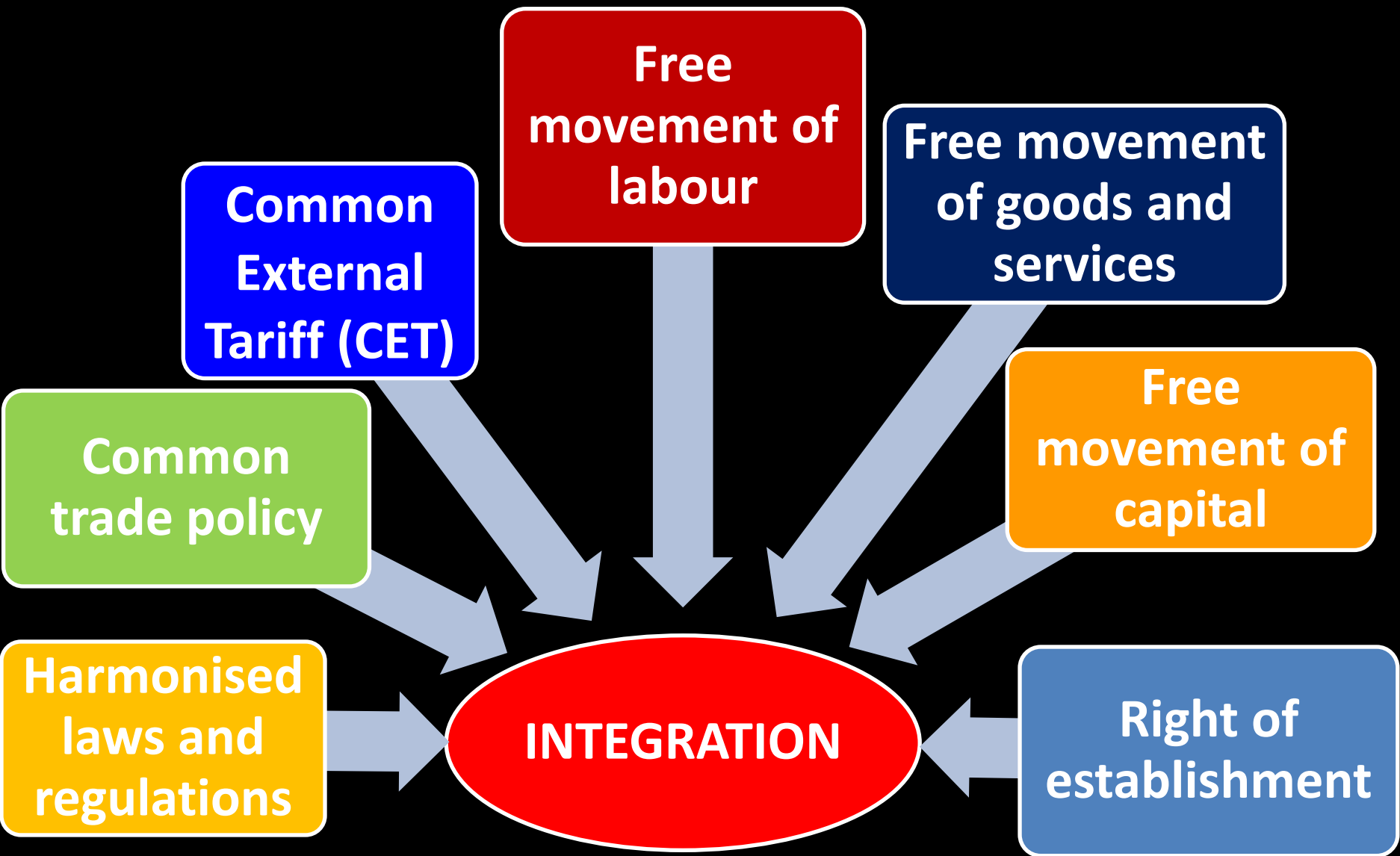
OECS



**European
Union /
USA**



BENEFITS OF INTEGRATION

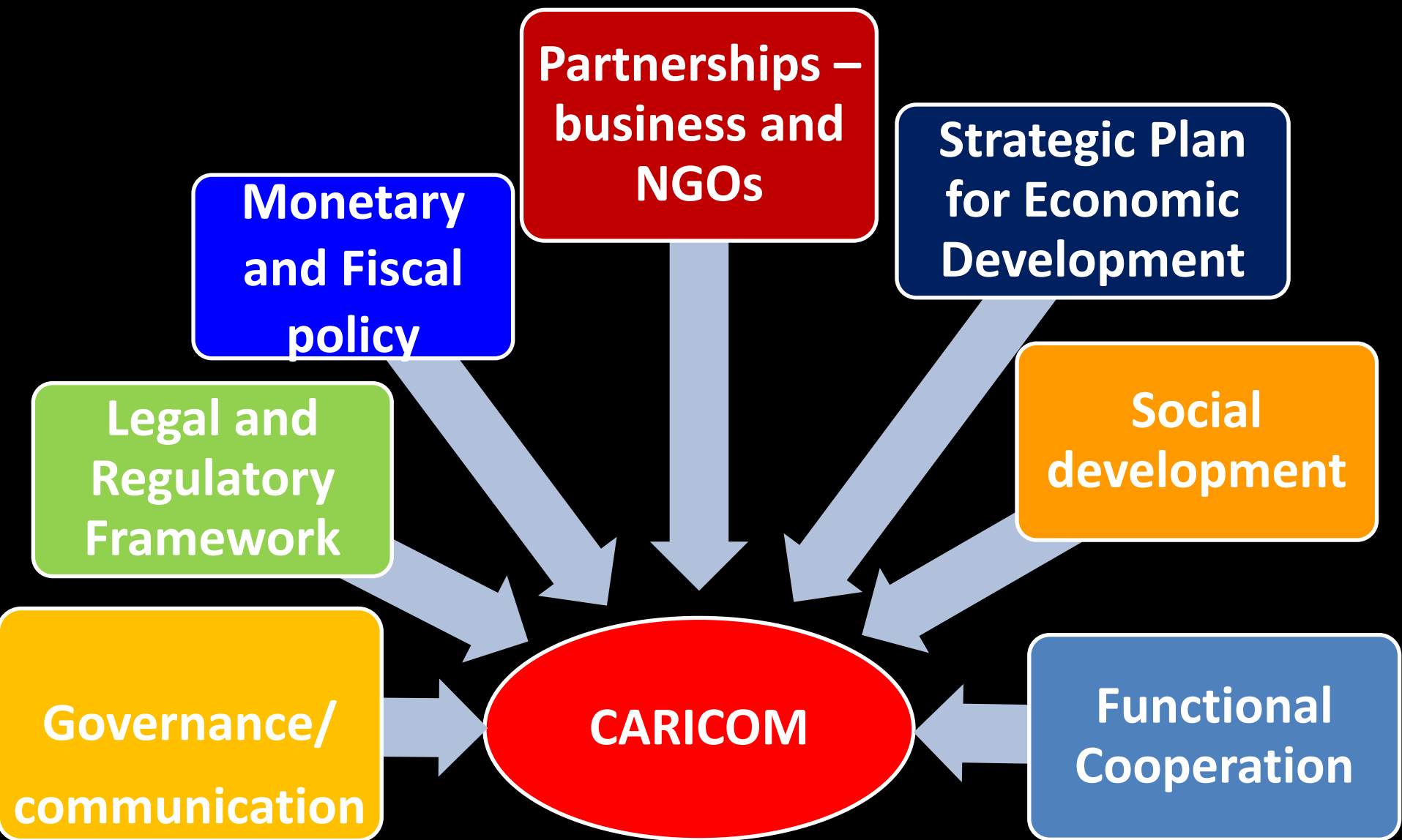


CHALLENGES WITH INTEGRATING 15 SOVEREIGN STATES

- The High Cost/Difficulty in doing business
- **Geography/ Inefficiencies in Transportation**
- Different legal traditions and systems
- **Restricted freedom of movement**
- No Currency convertibility
- **Lack of Political will**
- Customer dis-satisfaction



PROGRESS ON INTEGRATION



LEGAL & REGULATORY FRAMEWORK



Member States Should

Agree On:

- **Harmonised legislation and administrative procedures**
- **Examples**
- **Competition and consumer protection laws**
- **Business establishment/ registration**
- **Customs and immigration**
- **Access to finance**
- **Social /health services**

FUNCTIONAL COOPERATION

- **Regional Institutions**
 - **Caribbean Community Secretariat (CCS)**
 - **Caribbean Public Health Agency (CARPHA)**
 - **Caribbean Regional Organisation for Standards and Quality (CROSQ)**
 - **CARICOM Competition Commission (CCC)**
 - **Caribbean Regional Institution for Translation and Information (CRITI)**
 - **Caribbean Health and Food Safety Agency (CAHFSA)**

OUTSTANDING ISSUES

- **No monetary union/currency convertibility (except in OECS)**
- **Limited coordination of fiscal policy**
- **Difficulty financing and empowering Regional Institutions**
- **Economic policy convergence is slow (OECS more advanced)**
- **Free circulation not activated**

