

CARICOM Single Market and Economy (CSME)

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What is the CSME?

- The creation of a single large economic space among 15 Caribbean nations as opposed to 15 separate and distinct markets and economies, each governed by their own rules and divided from each other by formidable barriers.
- It allows for the free movement of CARICOM goods, services, people and capital through out the Caribbean Community through the complete removal of physical, technical and fiscal barriers.

Who Are The Members Of The CSME?

- Antigua and Barbuda
- Barbados
- Belize
- Dominica
- Grenada
- Guyana
- Jamaica
- Montserrat
- St. Kitts & Nevis
- Saint Lucia
- St. Vincent & the Grenadines
- Suriname
- Trinidad & Tobago

Why the CSME?

- There is more economic and political strength from a grouping of 15 countries.
- The small states of the C'ibbean face better prospects within the CARICOM grouping than they do if they face mega blocs and super powers individually.
- The single mkt. and economy creates more opportunities for employment, investment, production and trade for the citizens of the C'ibbean Community.

Elements of the CSME

Free Movement of Services:

- Member states will be required to remove any restrictions which could impede one's right to provide Services.
- Individual Member States will have to ensure that nationals from other Member States have access to land, buildings and other property on a non-discriminatory basis for the sole purpose of providing a service.

Elements of CSME

Free Movement of People:

- The Revised Treaty abolishes discrimination on the grounds of nationality in all member states.
- Various categories of persons will be able to travel to and work freely in other member states and enjoy the same rights and benefits as regards the conditions of work and employment as those given to national workers.

Elements of the CSME

Free Movement of Capital:

- Citizens will be able to transfer money to another country through bank notes, cheques, electronic transfers and so on.
- There will be equal right to buy shares in any company in any Member State and the right to remove your capital from one Member State to another.

Elements of the CSME

Right of Establishment:

- CARICOM nationals will have the right to set up or establish a business presence, having complied with the relevant legal and administrative requirements provided under the law of each country.
- This can be exercised in any sector of the economy of a Member State, i.e. in gds., services, or capital mkts.

What Are The Principles?

- The main principles of the CSME are:
- That the Caribbean Community continues to be an association of sovereign states.
- Non-discrimination, i.e. national treatment and most-favoured nation (MFN) treatment be accorded in accessing the regions resources and markets.

What Are The Principles Cont'd?

- Third countries should not be treated better than CARICOM partners.
- Consistency of Treaty provisions with the international commitments of member states.

The CSME and the Caribbean Court of Justice (CCJ)

YOUR COURT, YOUR RIGHT, YOUR VOICE

- The CCJ will ensure that the law is observed in the interpretations and applications of the revised Treaty.
- By interpreting and applying the Treaty, the CCJ will determine in a critical way how the CSME functions. The CSME will create an extensive range of rights and obligations for States parties to the Treaty and by extension for Community nat'ls.

Disadvantages of the CSME

- **OECS Member States as LDCs of CARICOM are likely to be most affected by the establishment of the CSME**

Three main types of disadvantages expected:

i) Disadvantages arising directly from the establishment of the CSME

Disadvantages of the CSME Cont'd.

- ii) Prior disadvantages (e.g. size and infrastructure) which would influence the distribution of gains from market and economic integration.
- iii) Potential disadvantages which may arise from the vulnerability of the economies of specific countries.

Benefits of the CSME

- Greater opportunity for 'hassle free' travel
- Opportunities for nationals to study and work in CARICOM countries of their choice
- Increased employment and improved standards of living.
- Intra- Regional Trade

Benefits of the CSME

- Increased production and trade in goods and services in a combined market of over 6 million people
- Competitive products of better quality and prices
- Improved services provided by enterprises and individuals
- Creation of opportunities for investment

Benefits

- Accelerated, coordinated and sustained econ. Development
- Enhanced levels of int'l competitiveness.
- Organization for increased production and productivity.
- Expansion of trade and economic relations with third states.

Implications for You!!

- Need to examine skills base/set and undergo training where necessary.
- Need to become more focused and efficient in the workplace to maintain employment.
- Need to examine how your existing workplace could become more competitive.

Implications for the You Cont'd

- Need to examine how you may take advantage of opportunities that may arise from access to the markets of other CARICOM countries.
- Need to examine the possibilities for joint venture arrangements with partners from other CARICOM countries.

Implications for the You Cont'd

- Need for Businesses to examine management style, reward systems and how much workers are encouraged to contribute to the strategic visioning of the company

... your competitor will include workers in their planning functions

THANK YOU!!

THANK YOU!!!