

Speech for the Honourable Sandra Husbands, Minister in the Ministry of Foreign Affairs and Foreign Trade on the Occasion of the Inter-Regional High Level Consultation on Region-Building in <u>Africa, the Caribbean and the Pacific</u>

<u>Title: Pursuing South-South Trade and Economic Cooperation</u> <u>among the African, Caribbean and Pacific Group of Countries</u> Dr. Patrick Gomes, Secretary General of the African Caribbean and Pacific Group of States; Sir Sridath Ramphal, Former Foreign Minister of Guyana and former Commonwealth Secretary General; Ambassador Ibrahim Gambari, former Foreign Minister of Nigeria and Former United Nations Undersecretary-General; Secretaries General; Ambassadors; Professors; Members of the Press; Ladies and Gentlemen

It give me great pleasure to be here today as you embark on discussions on region building in Africa, the Caribbean and Pacific (ACP) Group of States. It would be remiss of me not to thank the ACP for convening this forum and for choosing Barbados the location to host the same. I hope that all present here find some time outside of your busy schedules to enjoy some of what this small gem of the Caribbean has to offer.

As we are all aware, major discussions are ongoing as we seek to develop a mutually beneficial arrangement to replace the Cotonou Partnership Agreement which comes to an end in early 2020. This Agreement and the former Lomé Agreements between the EU and the ACP have served our ACP countries well for over forty years. I can safely say that we have all benefitted in some way from the development assistance which has been enshrined therein. The political dialogue which has been facilitated under these arrangements has been critical.

We are presented with the unique opportunity to examine the relationship between the ACP and the European Union, but we are also examining our own relationship as the ACP given the current realities. We must ask how we wish to position ourselves in a rapidly changing global environment. What is the brand and image that we wish to portray as the ACP, a union of diverse economies and regions? It is my desire that as we seek to answer these questions, we give tangible expression to ways in which we can forge deeper links among each of our regions and further unlock the potential existing in each of our economies.

A recent report prepared by the International Trade Center indicated that between 2003 and 2012 intra-ACP trade had increased only 5.5% compared with an increase of 26% in the ACP's trade with the rest of the world. I am sure that all of us here would agree that trade among ourselves can be much improved notwithstanding the diversity of our regions. It is true that

our nations range from the very small, for example Tuvalu, Vanuatu, Saint Lucia and St. Vincent in the Pacific and the Caribbean, to the very large as illustrated by the Democratic Republic of the Congo, Tanzania and South Africa, on the continent of Africa. We are diverse in our wealth as well, with many African nations being rich in mineral wealth and many small countries in the Pacific and the Caribbean depending heavily on tourism and financial services. We must not allow these differences to prevent us from forging closer alliances.

The existing global environment necessitates that we rethink our trade and development strategies, as well as carefully select our allies. This is especially in light of the challenges faced due to pressure being applied to many of our small states to conform to the rules which disadvantage us. A major plank of the strategy lies in ourselves.

Our achievements thus far can be attributed largely in part to the solidarity which existed and continues to exist among our regions. This is a partnership which can become a driving force in the international community. This strengthened solidarity can allow us to confront other countries on issues which are of import to all our regions. This is why we all signed on to the Georgetown Agreement in 1975. To date, we speak collectively in our engagements with the European Union and in the World Trade Organisation.

The world has changed considerably since the launching of the Lomé Agreement 44 years ago. We have seen new players emerge offering development assistance; rich countries forming bodies which seek to dictate what our tax rates should be; rich countries seeking to determine whether smaller players in the market, such as some of our ACP states, are eligible for grant or concessionary financing based on what I consider a flawed methodology; and the formation of a regulatory body which oversees the global trading environment. Our countries have embraced these changes as part of the global community and this is despite the deleterious effects some of these changes are having on our economies. We seek to play by the rules while minimising the negative effects. This strategy is not always effective. I am therefore led to believe that where we can develop political alliances among ourselves; where we can create linkages with regard to our export and import trade; and where we can come together and offer assistance in various critical areas, for example, health, education, disaster preparedness, among other areas, we would be in a better position to tackle some of these negative policies. Let us not forget that many of these policies can have serious implications for growth in our economies as well as job creation. These policies negatively impact our citizens. With our numbers we can certainly have a serious input on the agenda within many international fora.

There are issues confronting us at the international level, which would benefit from collective intervention on the part of the ACP. Climate change is one example. Many of our countries are facing a dilemma in this area. Some of us continue to experience rising sea levels and temperatures, severe drought and desertification as well as some of the most severe hurricanes not witnessed in decades. We, as the ACP, must continue to push the envelope and influence the minds of those sceptics whose doubts only ensure the continued destruction of our countries. We have done it before in Paris, with the help of the EU, we cannot give up the fight now.

I also firmly believe that as a group, we are in a position to skilfully put forward our cases and get a positive result on the graduation policies which have been implemented by some of our partners. This policy, which largely focuses on the levels of our gross domestic product, fails to take the vulnerability of our countries into consideration and for this reason, I have said in many fora that it is a flawed policy. We need to continue the conversation in order to sensitise our developed partners about our special peculiarities.

The same holds true for the continued crisis we face with our international business sector. Many of us have worked diligently to become competitive through the establishment of transparent regimes for international entities. Many of us, despite our limited resources, strive to be compliant with our international obligations in this area. Yet, we are labelled as tax havens when, in many instances, we are low tax jurisdictions. What is clear is that our sovereignty in setting our tax rates appears to be under threat.

In the area of trade, we must also strive to do more among ourselves. What is critical for the development of trade is, first and foremost, our transport links. Ladies and gentlemen, we have the goods, services and most of all the market of potential buyers. What some of us do not have is the means to transport these vital commodities. This must be addressed. We need to take a close look at the status quo and orchestrate some changes.

The ACP of today must also seek to build a strong, vibrant and energetic relationship among ourselves especially given that we have so much in common. Many of our countries have endured a colonial past which we have sought to use to our advantage. Like all countries, we are all striving for sustainable growth and development. I therefore see our destinies inextricably intertwined. We are basically seeking the same things, which are ensuring poverty eradication in our countries and pursuing a sustainable growth and development model tied to the Sustainable Development Goals.

One way of ensuring this sustainable growth and development strategy is through a comprehensive review of our trade. For example, our statistics reveal that Barbados' trade with some of our ACP partners is virtually non-existent. If you will indulge me for just a while, I will elucidate on this fact for a few select countries. For the 2018 period for example, Barbados' import and export trade respectively with Ghana was BDS\$243,078 and BDS\$14,638. Our import and export trade with Nigeria was BDS\$31,330 and BDS\$2,844 and with Tuvalu it was BDS\$27,767 in respect of imports and BDS\$0 for exports. These are but a few countries within the ACP with which Barbados trades. The statistics are not encouraging. Given the length of time which our grouping has been together, I put it to you that our trade should have been more expansive. As I have said before, these are but a few of the countries with which Barbados trades but I suspect these trade figures are representative of Barbados' trade with both African and Pacific countries. Further studies must be conducted thereby allowing us to determine what are the main hindrances to trade among ACP members.

As I close, I challenge us to consider these points which can make for a more vibrant and dynamic ACP. We, as a grouping, must be able to act autonomously and be confident in our abilities to influence world opinion. Indeed these are some of the areas outlined in the ACP mandate. Let us not just talk the talk but walk the walk as well. Let us be true to our mandate and seek to do more among ourselves. We have been together for forty-four years and we must therefore show the world that during this time we have come of age. I have always felt that South-South trade in its many forms need to be developed. I sincerely hope that in the future we can address whatever stumbling blocks lie in our path thereby enabling us to improve on our trade and economic cooperation.

Let us continue to build partnerships. I am particularly pleased that the consultations have been all embracing, with the private sector meeting here in Barbados only a few months ago. It is also my understanding that civil society actors are meeting as well as parliamentarians.

Let us continue this process and extend it to those areas where we are being most affected. Let us move forward as one. Surely the old adage, united we stand divided we fall was never more pertinent than during these troubling time. I thank you.