



Bulletin on the Integration of Latin America and the Caribbean



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» Day of the Latin American and Caribbean Unity

Taken from the Web site of PARLATINO

Panama City, 22 June.- On the occasion of the Day of the Latin American and Caribbean Unity, the Latin American Parliament (PARLATINO) urged the member congresses to celebrate this important event and issued the following statement:

"Remembering each 22 June is a reason for great satisfaction for the Latin American Parliament. At its XII Regular Assembly, held in Buenos Aires, Argentina, in 1988, our body decided to set that date as the Day of the Latin American and Caribbean Unity in allusion to the Amphictyonic Congress of Panama, conducted on the same day and in the same month of the year 1826 and materializing Bolivar's dream of a United America.

The Day of the Latin American and Caribbean Unity has a very high symbolic value, even more now when the Constitution of the Community of Latin American and Caribbean States (CELAC) is being implemented. This initiative undoubtedly arises from the promotion of the Latin American Community of Nations (CLAN), which the PARLATINO had been encouraging as a response to one of its main foundational goals: achieving regional integration as the only way for our peoples to ensure the real comprehensive and sustainable development.

We hope – and we are working on it – that CELAC entails the creation of the corresponding parliamentary body, which is a vital element of a community scheme. As we have expressed to the Foreign Ministers of the region, the PARLATINO is the only inter-parliamentary body at the regional level, with 48 years of fruitful existence, and therefore is called to be the legislative body of Latin American integration. This is the desire of the 23 member parliaments of the organization.

Finally, we reiterate the unwavering will of the Latin American Parliament to continue, enhance, enrich, expand and consolidate its role as the central body of reference of congresses and legislative assemblies in the region; an efficient promoter of regional integration and democracy as

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the inalienable value of progress with social justice; and the authority prepared to assume, whenever necessary, the responsibility of being the legislative body of a regional community of nations.”

► **Venezuela takes on the General Secretariat of UNASUR**

Taken from the Web site of UNASUR

Quito, 13 June.- Venezuelan Alí Rodríguez Araque was sworn in as Secretary-General of the Union of South American Nations (UNASUR) for the period 2012-2013, thus “assuming one of the greatest challenges of his political life: to strengthen and turn this body into the backbone of the region,” he said.

This third stage of the construction of UNASUR under his direction is aimed at maintaining the dynamism of the organization and “drawing new directions to realize the dream of our Liberators, because UNASUR remains alive.”

Rodríguez Araque, lawyer with extensive experience in the oil sector, proposed that the sovereign development of natural resources becomes the articulating axis of South American integration, in order to establish the foundations for growth in the region and offer conditions for sustainable development. He stressed the importance of fighting to overcome and eliminate asymmetries among the countries in the region, with more than 180 million of South American people lacking their basic needs. To that end, it is necessary to use the main strength of the region, which relies on the large number of natural resources, possibilities for expanding markets, fight against unemployment and boost to the domestic market. This will be crucial to see positive results in the region, and it is closely linked to the defence of sovereignty.

He said that his agenda is extensive and promising, and this is a historic moment for the peoples committed to building the great motherland. Already being institutionalized, UNASUR takes the second step and goes straight towards the coordination of fundamental topics to strengthen regional integration. He was optimistic about the future, saying that in the medium term the area will have “power, presence and weight at the international level, and most importantly, will lead to the improvement of the living conditions of its inhabitants.”

“A project like this has only virtues,” he said, since it materializes Bolívar’s dream to provide South American peoples with “the greatest sum of possible happiness, the largest sum of social security and the greater amount of political stability.”

► **ALADI promotes paperless trade in the region**

Taken from the Web site of ALADI

Montevideo, 22 June.- The headquarters of the Latin American Integration Association (ALADI) was the venue for a Meeting of National Authorities Responsible for Digital Certificates of Origin in the Member States of the organization, aimed at adopting the actions to implement this type of certificate in their reciprocal trade at the regional level.

The event, which was opened by the Secretary-General of ALADI, Carlos Chacho Álvarez, was attended by high-level officials of the member countries of the Association, as well as representatives of integration institutions, such as the Andean Community (CAN) and CAF-Development Bank of Latin America.

As a result of the meeting, a road map was drawn up for the thirteen member countries to comply with the digital certification of origin of goods traded through the network of agreements of ALADI by the end of 2013.

In addition, the meeting identified the cooperation actions to be provided by the General Secretariat to the interested member countries, in particular those related to ALADI’s initiative of Digital Certification of Origin and cooperation among member countries in national developments for the implementation of this important tool for trade facilitation.

In this connection, the Secretary-General of the organization highlighted “the significant progress made during the meeting, as well as the cooperation spirit in which it was carried out. This scenario stresses the importance not only of the digital certification of origin for Latin America, but also of a positive agenda on trade in the region, which shows matches and advances within the framework of a broader Latin American and Caribbean convergence.”

► **CAN advocates democratic institutions**

Taken from the Web site of the Andean Community

Lima, 25 June.- The Secretary-General a.i. of the Andean Community (CAN), Adalid Contreras Baspineiro, advocated democratic institutions as an essential basis for strengthening the regional integration processes and for reshaping the political situation affecting the Republic of Paraguay – one of the five associate partners of the Andean Community along with Argentina, Brazil, Chile and Uruguay – as a result of the trial and subsequent dismissal of President Fernando Lugo Méndez.

In this connection, he recalled that “the full force of democratic institutions and the rule of law are essential conditions for political cooperation and economic, social and cultural integration,” as set forth in the “Andean Community

Commitment to Democracy," signed by the member countries of the Andean Community in July 2000.

He stressed that CAN is a community of democratic nations, which from the beginning of their integration process has demonstrated a lifelong desire to promote the validity of democracy and the rule of law, both in the Andean subregion and in Latin America and the Caribbean.

» **Venezuela's admission to MERCOSUR confirmed**

Taken from the Web site of the Foreign Ministry of Argentina

Mendoza, 29 June.- On the occasion of Venezuela's accession to MERCOSUR, the following document was issued:

"The President of the Republic of Argentina, the President of the Federative Republic of Brazil and the President of the Eastern Republic of Uruguay;

Stressing that the integration process, based on complementarity, solidarity and cooperation, is an instrument to promote integral development and address poverty and social exclusion;

Taking into account the Protocol of Accession of the Bolivarian Republic of Venezuela, signed in the city of Caracas on 4 July 2006, which sets its adherence under the principles of gradualness, flexibility and equilibrium, recognition of asymmetries and differentiated treatment;

Under the terms of subparagraphs ii) and iii) of Article 40 of the Ouro Preto Protocol;

Decide:

ART. 1.- The admission of the Bolivarian Republic of Venezuela to MERCOSUR.

ART. 2.- To convene a special meeting for the official admission of the Bolivarian Republic of Venezuela to MERCOSUR for 31 July 2012 in the city of Rio de Janeiro, Federative Republic of Brazil.

ART. 3.- To appeal to all South American countries, in the current international complicated scenario, to unite and ensure that the process of growth with social inclusion carried out over the last decade in our region deepens and turns into a factor of economic and social stability in an environment of full enjoyment of democracy in the continent."

» **El Salvador and Guatemala promote Customs Union**

Taken from the Web site of SIECA

Guatemala City, 4 June.- For the purpose of reviewing the progress made in implementing the Critical Roadmap and Action Plan for the establishment of the Customs Union between El Salvador and Guatemala, with the participation of Honduras as an observer, a meeting was held and attended by the Minister of Economy of El Salvador, Armando Flores; the Minister of Economy of Guatemala, Sergio De la Torre; the Vice-Minister of Industry and Trade of Honduras, Melvin Redondo; and the Secretary-General of SIECA, Ernesto Torres Chico.

Among achievements in the Critical Roadmap between El Salvador and Guatemala is the creation of standing inter-agency committees, which have made national assessments at the border crossing point Chinamas Valle Nuevo.

On 31 May, a binational technical meeting took place to agree on operating procedures. Assessments provide for the definition of requirements for the modernization of customs posts.

In addition, four round tables were set up in the field of sanitary and phytosanitary measures, customs procedures, migration and security.

» **Fifty-Fifth Meeting of the OECS Authority**

Taken from the Web site of OECS

Castries, 19 June.- The Fifty-fifth Meeting of the OECS Authority was convened in St. Vincent and the Grenadines from 10 to 12 June 2012 under the Chairmanship of Ralph Gonsalves, Prime Minister of St. Vincent and the Grenadines. All Member States were in attendance with the exception of Anguilla, and were represented at the level of Head of Government. Also in attendance was the Secretary General of the Caribbean Community.

The Meeting focused mainly on the following issues:

Matters relating to the operationalization of the organs of the OECS, including the Economic Affairs Committee and the OECS Assembly;

Work Plan, budget and manpower plan for the Commission;

Financing of the OECS Secretariat;

Matters relating to the operations of the OECS Pharmaceutical Procurement Service;

Matters relating to the operationalization of the Economic Union, including the free circulation of goods;

OECS relations with third countries, including the matter of the proposal for associate membership of Martinique and Guadeloupe in the OECS;

Matters relating to the Eastern Caribbean Supreme Court, including the appointment of a Chief Justice;

Matters relating to the Eastern Caribbean Civil Aviation Authority, including the appointment of a Director General; and

A proposal for institutionalized engagements between the Authority and OECS Leaders of Parliamentary Opposition.

► Director General Len Ishmael's OECS Day Message

Taken from the Web site of OECS

Castries, 20 June.- Marking the 31st Anniversary of the Organization of Eastern Caribbean States (OECS), Director General Len Ishmael delivered the following speech:

"Brothers and Sisters of the OECS, on behalf of the OECS Chairman and Members of the OECS Authority, it is with great pleasure that I address you on the occasion of the 31st Anniversary of the Organisation of the Eastern Caribbean States. On this most special OECS Day, I ask you to join with me in real celebration of the proud legacy that has been bequeathed to us by our forbears who on this day, thirty-one years ago, affixed their signatures to the Treaty of Basseterre that launched us on this incredible journey. Today, I join with you in celebrating their vision and foresight in coming together in a corporate strategy and plan with one noble goal in mind: the improvement and upliftment of the lives and well being of the people of our region. Today, I join with you in celebration of the phenomenal achievements birthed from the powerful idea of resilience building through regional economic integration and functional cooperation which is firmly undergirded by the principle of "strength through unity" which has been forged by the Caribbean historical experience and forms the fundamental ethos of our Caribbean way of life.

From this idea and through dedicated commitment to its achievement has sprung many of the institutions and frameworks that we all take for granted today. Institutions – such as the OECS Secretariat, the Eastern Caribbean Central Bank, the OECS Supreme Court which ensures that the separation of powers enshrined in our Constitutions is guaranteed and upheld; the Eastern Caribbean Civil Aviation Authority that has safeguarded the integrity and safety of the airspace and civil aviation within the OECS for decades; the Eastern Caribbean Telecommunications Authority which has negotiated the liberalization of our telecommunications

sectors and has allowed consumers across the OECS to exercise choice when selecting a provider; or even the Joint Pharmaceutical Procurement system which allows us more affordable medications – these are all so much a part of our everyday lives that their importance and influence go largely unnoticed. But such was the intention and ambition of the courageous seven those leaders in 1981 who made this all possible. And such also is indeed the intention and ambition of the current generation of leaders who are charged with ensuring that the Economic Union, established just seventeen months ago by the coming into force of the Revised Treaty of Basseterre, becomes a progressively operational entity. For all of us, the ultimate will only be achieved when such successes are so seamlessly woven into the institutional fabric of the societies and the lives of the people of the region that they are taken as a matter of course.

This is especially so when it comes to the exercise of the right of free movement. On 1st August 2011, celebrated in many Member States as Emancipation Day – the OECS Economic Union emancipated all OECS citizens from the boundaries of national borders by providing them all with the right to move within the single space, to look for work, to take up work, to send their children to school, to seek medical attention, to set up businesses, to stay indefinitely, and to be treated as nationals wherever they go within the Economic Union area. While there is still some work to be done in eliminating legislative barriers to the exercise of this right, these are being dealt with as a matter of priority and the administrative arrangements to facilitate the hassle-free movement of OECS nationals across the space has already been put in place.

It is hoped that these operational changes will be accompanied by a commensurate psychological renaissance whereby the people of the OECS come to view themselves as one people with the sea that separates us being seen as the sea that connects and binds us one to the other. It is hoped that this pan-OECS outlook will infuse and transform the way in which we all live and work. OECS nationals, regardless of who they are or where they are in the world now all have access to the benefits and resources provided by the creation of the single OECS space. The Economic Union area is ripe with opportunity not only for each OECS national to live and work wherever is most beneficial for them and their families, but also for OECS businessmen and women to expand the market in which they buy and sell goods and services. It also presents an opportunity for OECS nationals who are part of the Diaspora to choose any location within the space whereby they can make a contribution, start a business and bring their resources and expertise to bear in this process. This, with the full knowledge that what benefits one, will benefit all in the larger scheme of things.

On another front, the Revised Treaty of Basseterre also aims to transform the regional governance arrangements in

ways that allow them to be more effective and inclusive. With the OECS Authority (the highest governing body comprising Heads of Government) and the OECS Ministerial Councils has now been added three new institutions. The OECS Commission, comprising Member State representatives is charged with ensuring that the process of agenda-setting and decision-making is appropriately consultative at the national and regional levels and that regional outcomes and decisions are effectively and efficiently implemented. This organ has been fully operational since 1st July 2011 and plans are underway to ensure that the Economic Affairs Council, responsible for upholding the provisions and rules of the Union Treaty Protocol that governs the economic space, is established by November of this year.

The fifth and final organ, the OECS Assembly: "the People's Parliament", is another innovation of the Revised Treaty, which will be inaugurated in August. The establishment of the Assembly is of great historical significance. Bringing together representatives of governing parties and members of the opposition as part of national delegations to make pronouncements on regional objectives and decisions, the Assembly aims to bring a level of democracy, accountability and transparency into what had heretofore been a highly centralized regional decision-making structure. As the people's representatives, it is expected that OECS MPs will champion the views and interests of their national constituencies to ensure that all OECS-wide initiatives would be fair and balanced and redound to the benefit of all. The establishment of the OECS Assembly, therefore, is a veritable quantum leap towards participatory politics at the regional level and represents an advance to a more mature regionalism.

Ladies and Gentlemen,

The 31st Anniversary of the establishment of the OECS arrives in a moment of dynamic change within this tiny geographic space. It is an exciting time for our region, even amidst the turmoil and upheaval swirling around us nationally and globally. In these uncertain and challenging times, the OECS stands confidently as a BEACON, representing simultaneously: an illuminating EXAMPLE of what can be accomplished through the sheer power of ideas and a concerted commitment towards them; a SAFE HARBOUR for its Member States which can meet every national challenge and obstacle with the assurance that these will be resolved and overcome through unified action at the regional level; and a RALLYING CALL TO ACTION, for us all to put our shoulders to the wheel of progress in our tiny community.

It is therefore in this spirit of optimism that I wish you all a happy and purposeful OECS Day!"

► CARICOM: Pushing projects for Connect the Americas Summit

Taken from the Web site of CARICOM

Georgetown, 21 June.- The Caribbean Community (CARICOM), in preparing for the one of its kind Connect the Americas Summit, set for Panama in July, is sending a strong and clear message to private sector and investment organizations that they are ready with viable, creative, cross-cutting regional and national development projects for funding.

The Third Preparatory Meeting of the Caribbean on the Summit held in Barbados, which was supported with funding from the European Union under the 9th European Development Fund (EDF), ended with a comprehensive report to be submitted to CARICOM Heads of Government on the region's strategy for funding, maximizing participation and exploiting opportunities at the Summit.

The Connect Americas Summit aims to mobilize the human, financial and technical resources required to close Information and Communication Technology gaps in the region. The Summit is expected to attract leaders from the public and private sectors, as well as international and regional financing and development agencies to network face-to-face and forge new partnerships.

For CARICOM's part, they will be submitting more than 45 regional and national projects valued close to half-a-billion dollars, with which they hope to attract public and private sector investments as well as funding from International Development Partners. These projects will be packaged, grouped and presented under the five themes of the International Telecommunication Union (ITU): Emergency Communications; Digital Broadcasting; Broadband Access and Uptake in Urban and Rural Areas; Human Capacity Building and ICTs with emphasis on the marginalized.

Some of the major projects are related to Regional Spectrum Management; Broadband Roll-out; Development of Digital Cities and A Single virtual university space. A description of all projects can be found at <http://www.itu.int/ITU-D/connect/americas/projects.asp>.

At the meeting, senior officials from Member States and regional institutions agreed on developing a strategy to engage and attract investment interests in these projects, leading up to the Summit which will be held from 17 to 19 July in Panama. The meeting also emphasized the need for ownership of the Summit as well as to establish one regional voice at the Summit, which speaks to the uniqueness of the Caribbean Region in relation to its regional strategy for socio-economic and sustainable development through ICTs.

The Connect the Americas Summit will feature high-level interactive panels focused on the challenges posed for developing economies in harnessing the full potential of ICTs. Bold decisions and commitments are expected to be announced on multi-stakeholder partnerships to meet these challenges.

The Senior Officials have agreed to pull out all stops in ensuring high level ministerial participation in the Summit and in ensuring that projects reflecting the Region's priorities attract full support and sponsorship from regional and international development partners. The Meeting also expressed hope that the Lead Head for ICTs in the CARICOM Quasi-Cabinet, Grenada's Prime Minister Honourable Tillman Thomas will continue to champion the cause and the path to Panama.

» **Secretary-General assured of Jamaica's support for CARICOM**

Taken from the Web site of CARICOM

Georgetown, 29 June.- The Secretary-General of the Caribbean Community (CARICOM) Ambassador Irwin LaRocque has been assured of Jamaica's support to the integration movement by Prime Minister the Most Honourable Portia Simpson-Miller and Opposition Leader the Honourable Andrew Holness.

The Secretary-General on a three day official visit to Jamaica met with the Prime Minister on the first day of his visit and with Holness on Thursday. He has also met with Minister of Foreign Affairs and Foreign Trade Senator the Honourable AJ Nicholson and the Minister of Industry, Investment and Commerce, the Honourable Anthony Hylton.

Ambassador LaRocque delivered remarks on Wednesday evening at the opening of the University of the West Indies (UWI) Regional Headquarters Building in Kingston and on Thursday paid a courtesy call on the Vice Chancellor of the University, Professor Nigel Harris. The Prime Minister and the Secretary-General agreed on the need to put people at the centre of the integration process and for more widespread dissemination of information on CARICOM and its benefits. The Prime Minister and her Cabinet Ministers pointed to the trade imbalance between Jamaica and the rest of the Community, the treatment of energy access and free movement of people as major issues of concern to Jamaica. These were identified as issues which were affecting the view of CARICOM by the population.

The Prime Minister told the Secretary-General that her administration was committed to strengthening and deepening the integration movement, a point which was underscored by both Ministers during their meetings with Ambassador LaRocque.

The Opposition Leader expressed the view that more information was needed to combat the lack of knowledge of CARICOM. He stated that CARICOM should not be a political issue while also expressing his deep concern on the trade imbalance and the issue of free movement. Nevertheless, he said that his party was not considering any inimical moves towards CARICOM and assured the Secretary-General of his party's support for the integration movement.

» **Communiqué of the 73rd Meeting of ECCB Monetary Council**

Taken from the Web site of the Eastern Caribbean Central Bank

Basseterre, 29 June.- The Seventy-Third Meeting of the Monetary Council of the Eastern Caribbean Central Bank (ECCB) was held on 29 June 2012, under the chairmanship of Denzil L. Douglas, Minister for Finance of St. Kitts and Nevis.

The Council received the Governor's Report on Monetary and Credit Conditions in the Eastern Caribbean Currency Union (ECCU), which assessed these conditions over the quarter ended in March 2012 against the backdrop of global economic and financial developments and provided an outlook for the near to medium term.

The Council was apprised that monetary and credit conditions were stable during the first quarter of 2012 and were assessed to have eased relative to the first quarter of 2011. In the financial sector, liquidity conditions continued to improve despite some tightening at some banks. Loan growth was depressed and the non-performing loans ratio increased. Interest rates remained relatively stable and credit to the private sector fell compared to the same period of 2011.

The fiscal position of member governments also strengthened relative to the first quarter of 2011, mainly on account of a narrowing in the overall and primary deficits as adjustments were made to reduce capital expenditures.

The exchange rate remained stable. The ECCB's backing ratio rose to 96.6%, well above the 60.0% statutory requirement and the real effective exchange rate rose, suggesting a loss of competitiveness for ECCU exports.

» Briefs

SICA renews commitment to integration and security

Tegucigalpa, 29 June (ElHeraldo.hn).- The XXXIX Summit of the Central American Integration System (SICA), held on 28 and 29 June in Tegucigalpa, concluded with a renewed commitment to address the issues of security, poverty and development.

The Central American Presidents vowed to “deepen the process of regional integration” during a ceremony in which Honduras handed over the Pro Tempore Presidency of SICA to Nicaragua. The summit started with a rapprochement between Central American Presidents and the youth from the region, who demanded more security, employment, better health and education systems and greater participation in decision-making.

After the meeting, the Central American Presidents began to discuss a broad agenda marked by the growing concern about the violence in Central America due to the relentless drug trafficking to the United States. The Presidents also hailed the Partnership Agreement with the European Union, worth US\$ 3.2 billion for the subregion.

Panama joins SIECA

Tegucigalpa, 29 June (LaTribuna.hn).- The President of Honduras, Porfirio Lobo Sosa, confirmed Panama’s adherence to the Secretariat for Central American Economic Integration (SIECA). The decision was unanimously adopted by the Ministers of Industry and Trade of SICA. “Successfully and unanimously, the eight Ministers of Industry and Trade of SICA have agreed on Panama’s adherence to SIECA,” Lobo Sosa published on his Twitter account.

This decision was the final requirement for signing the Partnership Agreement between the European Union (EU) and Central America. This Agreement is an instrument that seeks to go beyond trade, including aspects such as political dialogue and cooperation for development, and it is a major achievement of the Pro Tempore Presidency of SICA, held by Honduras.

Besides Lobo Sosa, the Presidents participating in the Summit included Daniel Ortega, of Nicaragua – who took over the Pro Tempore Presidency of SIECA – Laura Chinchilla, of Costa Rica; Mauricio Funes, of El Salvador; Otto Pérez, of Guatemala; and Ricardo Martinelli, of Panama. Audrey Joy Grant, Deputy Minister of Energy, Science and Technology of Belize, and Clara Quiñones, Deputy Minister of Foreign Affairs of Dominican Republic, also participated.

» Meetings on integration in July

XXXV Meeting of the Council for Trade and Economic Development (COTED) of CARICOM
Georgetown (23 to 28)
Guyana
CARICOM

Special Meeting on Venezuela's Adhesion to MERCOSUR
Rio de Janeiro (31)
Brazil
MERCOSUR