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**27TH MIAMI CONFERENCE ON THE CARIBBEAN BASIN**

**Governor Jeb Bush outlines vision for Florida-Caribbean Basin Partnership**

Governor Jeb Bush addressed the special interdependence of Florida and the Caribbean Basin in his keynote address to an audience of approximately 500 public and private sector attendees at CCAA's 27th Annual Miami Conference on the Caribbean Basin on December 10, 2003. The Governor emphasized Florida's unique historical and ongoing relationship with the nations of the Western Hemisphere, especially those of Central America and the Caribbean, as he spoke of the importance of regional cooperation to promote economic development and growth.



**Governor Jeb Bush Addresses 27th Annual Miami Conference**

"Due to its geographic position, economic ties, cultural affinities and diverse population, Florida is an integral part of the Caribbean Basin," Governor Bush said. "As such, it is important that our relationships with our neighbors in Central America and the Caribbean continue to evolve toward closer integration and cooperation, in order to deal with some of the region's shared challenges." cont. p. 4

**CCAA CBI TRADE AND INVESTMENT FORUM SERIES**

**CAFTA – Opportunities for Action; The Fight Against Poverty: Produce to Prosper**

On February 3 & 4, CCAA and the Salvadoran Ministry of Economy, in collaboration with the U.S. Department of Commerce, hosted a trade & investment forum in San Salvador titled "CAFTA – Opportunities for Action; The Fight Against Poverty: Produce to Prosper." More than three hundred key public and private sector leaders from the region and the United States came together in an extraordinary spirit of collaboration to discuss meaningful ways to accelerate the Process of Development in Central America and to identify the challenges and opportunities that will emerge post-CAFTA. It was an extraordinary gathering that included such regional private sector participants as Carlos Paiz, Ricardo Poma, Roberto Murray -Meza, and Harry Strachan.

President Francisco Flores and Grant Aldonas, Undersecretary for International Trade of the U.S. Department of Commerce, opened the forum's discussion on the 4th. President Flores highlighted that CAFTA will increase confidence among investors, contribute to market predictability and stability, and create strong institutions in the region. Grant Aldonas, at the same time, urged private sector leaders to inform the U.S. Congress of the opportunities that will be available not only to Central America, but also to the United States. The Undersecretary asked for these leaders to be the "defense lawyers" of CAFTA in order to achieve its ratification and secure the construction of an economic growth model to be used as an example for the rest of the world.

cont. p. 4



**Ricardo Poma, Harry Strachan, and Carlos Paiz**



## MESSAGE FROM THE EXECUTIVE DIRECTOR



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Caribbean Central American Action (CCAA) enters 2004 in a much stronger position than we have been in some time. Over the course of 2003, CCAA has become reenergized and newly relevant with a growing group of committed trustees and sponsors. Our return to our roots by changing back to the organization's original name is a sign of the focus of our advocacy – promoting democracy and private sector-led, sustainable economic development in the countries and non-independent territories that were identified as the beneficiaries of the Caribbean Basin Initiative.

Our advocacy will need to play an influential role in the coming year as we face important opportunities and challenges for the region. We are now beginning the critical ratification stage of CAFTA in the U.S. Congress and the national assemblies of Central America. 2004 will also be an important year in the FTAA process as the nations of the hemisphere must reaffirm their commitment to conclude a comprehensive and balanced agreement that will expand prosperity and foster economic growth throughout the hemisphere.

I am pleased to report that the 27<sup>th</sup> Annual Miami Conference on the Caribbean Basin was a tremendous success with a robust program and attendance in excess of 550. As you will read in this issue of the Quarterly, CCAA is moving forward with key issues addressed by the Conference. For example, CCAA, together with the Caribbean Shipping Association and the Florida Ports Council will be helping to organize a cooperative effort to ensure that all ports and countries reach compliance with new IMO International Ship and Port Facilities Security Code (ISPS) & the Maritime Transportation Security Act (MTSA) regulations by July 1, 2004 and to find the funding/financing that is required to implement security measures.

On February 3-4, CCAA and the Salvadoran Ministry of Economy, in collaboration with the U.S. Department of Commerce, hosted "CAFTA – Opportunities for Action; The Fight Against Poverty: Produce to Prosper" a CCAA regional trade and investment forum at the Intercontinental Hotel in San Salvador, El Salvador. At this meeting, more than three hundred key public and private sector leaders came together in an extraordinary spirit of collaboration to discuss meaningful ways to accelerate the process of development in Central America and to identify the challenges and opportunities that will emerge post-CAFTA.

CCAA is committed to "Strengthening the Third Border" and aggressively driving forward the Transformation Agenda needed to improve the economic well being of the people living throughout the Caribbean Basin. With your continued support, we look forward to continued success with our advocacy during the coming year.

## UPCOMING CALENDAR OF EVENTS

- February 19 **Inter-American Luncheon Series with Dr. Elsa Murano, Undersecretary for Food Safety, USDA**  
Organized by IICA, IAC, and CCAA  
*Location:* Washington, DC  
*Contact:* Sara Scarbro, sscarbo@c-cao.org
- April 16 **Focus Americas Conference**  
Organized by BAFT, CCAA, FELABAN, FIBA and the USMCO  
*Location:* Coral Gables, FL  
*Contact:* Charmane Tappin-John, ctj@c-cao.org
- June 15-16 **CCAA Semi-Annual Board of Trustees Meeting**  
Organized by Caribbean Central American Action  
*Location:* Washington, DC  
*Contact:* Alex Shtogren, ashtogren@c-cao.org
- December 6-8 **CCAA 28th Annual Miami Conference on the Caribbean Basin**  
Organized by Caribbean Central American Action  
*Location:* Miami, Florida  
*Contact:* Sara Scarbro, sscarbo@c-cao.org

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# Caribbean Ports Council Is Needed to Manage Tightened Port Security



Florida Ports Council President John LaCapra and CCAA's Federico Sacasa

Maritime Port Security is one of the most critical issues facing the Caribbean Basin in 2004. At the 27<sup>th</sup> Annual Miami Conference on the Caribbean Basin, a series of three meetings tackled the broad subject of "Port Security—MTSA & ISPS Regulations" with a focus on meeting requirements of new security measures by July 1, 2004 and raising the funding necessary for compliance.

The Conference called for a program in the Caribbean Basin beginning with the smaller economies of Caribbean - specifically the OECS - for the management & implementation of the IMO International Ship and Port Facilities Security Code (ISPS) & the Maritime Transportation Security Act (MTSA) and for the creation of a regional institutional body (The Caribbean Ports Council). This Council would mobilize support and oversee the allocation of funds and the implementation steps needed for ongoing compliance of these and other related initiatives. A final recommendation was for identification of "Best Practices" for harmonization and

integration of systems and processes related to port security in the Caribbean Basin.

On November 25, 2002, President Bush signed into law the MTSA as a measure to protect the U.S. maritime community from terrorism without affecting the flow of goods through ports. In December 2002, the International Maritime Organization adopted the ISPS, requiring ships on international voyages and port facilities that serve them to take new security measures by July 1, 2004. All ships and all shipping companies will be required to have security officers. In addition, there must be training, security assessments made, security plans in place, and certification by individual countries by July 1, 2004.

Under the new international regulations, ships leaving from a port of a country that is not compliant with the ISPS IMO Code by July 1, 2004 will not be able to enter into another country. Without the ability to move goods and people to and from the United States, trade and tourism will be negatively affected. The participants agreed that a cooperative effort is essential to ensure that all ports and countries reach compliance by July 1, 2004 and to find the funding/financing that is required to implement security measures. CCAA, the Caribbean Shipping Association and the Florida Ports Council will take the lead in organizing this effort.

Participants in the Miami Conference sessions, led by the US Maritime Administration, included representatives from CCAA, the Florida Ports Council (FPC), the Caribbean Shipping Association (CSA), the US Coast Guard, the US Department of Transportation, the Inter-American Committee on Ports of the Organization of American States (OAS), Florida International Volunteer Agency (FAVACA), regional and US port managers, cruise line representatives, cargo carriers, and public and private representatives of the Caribbean Basin and the United States.

## Become a CCAA Member

We invite you to become a member of CCAA for 2004 and join us in our advocacy to promote democracy and private sector-led economic development through increased trade and investment flows in the Caribbean and Central America. As the Western Hemisphere deals with the challenging issues of trade, security and development, it is more critical than ever that the small economies of the Caribbean Basin not be left behind the larger GDP nations.

As a member of CCAA, you will be assured of an invitation to principal CCAA activities and events and will be invited to attend the programs at our semi-annual Board meetings. You will be able to actively participate in the development and pursuit of our advocacy as we convene in our ongoing regional conferences, Washington events, and the annual Miami Conference on the Caribbean Basin. We will have a full agenda in 2004 and rely upon the energetic dedication and generous support of private sector leaders.

CCAA is a non-profit, non-governmental charitable organization. Contributions are tax-exempt under Section 501(c)(3) of the U.S. Internal Revenue Code.

.....  
 Membership forms can be sent to the attention of Jennifer Kandler by fax to 202-822-0075 or by mail to C-CAA, 1818 N Street, NW, Suite 310, Washington, DC 20036.

Yes, please enroll me as a Member of Caribbean Central American Action!

Please inform me about becoming a voting member of the CCAA Board of Trustees!

I would like to join CCAA at the indicated membership level:

<input type="checkbox"/> Corporate Benefactor	\$2,500.00	<input type="checkbox"/> Individual Benefactor	\$ 500.00
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## Governor Bush: cont. from Page 1

In addition to his keynote address, Governor Bush used CCAA's Miami Conference as a venue to hold one-on-one meetings with Prime Minister of the Bahamas Perry Christie, President of Nicaragua Enrique Bolanos, President of Costa Rica Abel Pacheco, President of Guatemala Alfonso Portillo, Assistant Secretary General of CARICOM Byron Blake, and senior officials from several Caribbean nations. During the meetings, Governor Bush emphasized Miami's ideal location for the FTAA Secretariat, while also addressing important issues of bilateral interest, such as stronger education, commercial exchanges, and new trade and investment opportunities.



President Abel Pacheco of Costa Rica, Governor Jeb Bush, USAID Deputy Administrator Frederick Schieck

## "CAFTA—Opportunities for Action" Conference in El Salvador: cont. from Page 1

Central American ministers gave a presentation that highlighted the advantages of CAFTA for the region. Minister Miguel Lacayo of El Salvador spoke about the agreement's textile provisions and went into detail about the flexibility that was granted on short-supply and rules origin. Minister Mario Arana of Nicaragua said that he believed all sectors benefit from the agreement but highlighted the need to strengthen democracy and the judicial system.

Minister Marcio Cuevas from Guatemala spoke about the differences between the CBERA and CAFTA, recognizing the fact that CAFTA allows permanent access to the United States for most of the products already included in the unilateral preferential trade agreement. He also indicated that it provides the mechanisms to be able to expand the agreement as well deal with disputes. Minister Norman Garcia from Honduras closed the Ministers' roundtable by explaining that the region needs \$700 million in direct investment in order to promote economic growth, an amount that cannot be absorbed by only one government. This fact underscores the need for the region to attract more foreign investment through CAFTA, establishing clear rules under which all investors will be treated the same throughout the region.

US Ambassador to El Salvador, H. Douglas Barclay, the luncheon's Keynote Speaker, spoke on the importance of fighting corruption and the role that CAFTA should play in implementing non-commercial rules, such as anti-corruption measures. The Ambassador also said that he anticipates the Bush administration will introduce the agreement to Congress before July and that the same is expected of the regional governments.

The concurrent workshops held that afternoon addressed both the opportunities that CAFTA will bring and the actions required by the private sector to benefit from these opportunities. These workshops addressed issues related to five different sectors: agribusiness, apparel & textiles, intellectual property rights, light manufacturing, and logistics & distribution. The sessions were moderated by Rene Morales, from Grupo Jaremar, Ricardo Sagrera, from Hilasal, Armando Arias, of the law firm Arias & Moñoz, Jorge Zablah-Touche, of FUSADES, and Roberto Kriete, of TACA, respectively. The moderators delivered the roundtables' conclusions to the rest of the participants in the Closing Plenary Session.

This meeting was a follow-up to the first **CompromisoCentroAmérica** conference hosted by CCAA and the Nicaraguan Ministry of Economy in collaboration with the U.S. Department of Commerce in October 2002, prior to the start of the negotiations. CCAA will host another **CompromisoCentroAmérica** trade and investment forum in Honduras during the 3<sup>rd</sup> quarter of 2004.

*"CAFTA – Opportunities for Action; The Fight Against Poverty: Produce to Prosper" was sponsored in part by the following:*



## Save the Date

### 28th Annual Miami Conference on the Caribbean Basin

December 6 - 8, 2004

Hotel Intercontinental, Miami, Florida

### Costa Rica Joins CAFTA Agreement as Dominican Republic negotiations proceed

On January 26, 2004, one month after El Salvador, Guatemala, Honduras, and Nicaragua had reached agreement on CAFTA with the U.S., Costa Rica joined in that agreement after intensive negotiations on the telecommunications and insurance industry sectors.

"With each Central American nation, we worked to tailor market access provisions to reflect individual circumstances," Mr. Zoellick said in a statement, "and that work is now complete with Costa Rica."

In second round negotiations with the Dominican Republic to "dock" that nation into CAFTA, the United States has offered to eliminate tariffs on nearly all Dominican imports, the Associated Press news service reported from San Juan (WTD, 2/10/04). US negotiators offered to remove 99 percent of tariffs on Dominican goods if the Caribbean country joins the Central American Free Trade Agreement, said Sonia Guzman, the chief Dominican negotiator.

While the 2<sup>nd</sup> round of negotiations between the U.S. and the Dominican Republic were held on February 9<sup>th</sup> in Puerto Rico, the U.S. and the five Central American countries must now begin the process of ratification of the agreement by Congress and the national assemblies. The next step in the U.S. will be for the Bush Administration to decide when to officially "notify" Congress, thus triggering a 90-day Congressional review period.

### CARICOM Works to Resolve Haiti Crisis as Situation Worsens

With escalating violence and a deteriorating political situation in Haiti, Prime Ministers Dr. Kenny Anthony of St. Lucia, Perry Christie of the Bahamas, P.J. Patterson of Jamaica, and Patrick Manning of Trinidad met with Haiti's President Jean Bertrand Aristide on January 30, 2004 in Kingston to discuss a CARICOM proposal for ending the continuing political crisis in Haiti. Mr. Aristide announced on January 26<sup>th</sup>, that he had agreed to proposals from CARICOM to resolve his country's political crisis. Mr. Aristide remains determined to serve out the remaining two years of his term despite the breakout of armed fighting in several Haitian cities.

The proposals discussed include the government of Haiti working together with the opposition to select a new Prime Minister, setting a date for new elections, disbanding all violent groups in the country. Previously, Prime Minister P.J. Patterson of Jamaica had stated: "We felt that all sides in Haiti must recognize and respect judicial orders and the rule of law, and this would mean among other things, the immediate release of a number of political activists or leaders who are today in arbitrary detention."

The Miami Herald has reported that two Florida congressmen, Mark Foley and Kendrick Meek, have "urged the Bush administration to take a more active role in Haiti after a briefing by the State Department on February 11. "The critical message of this meeting is to signal the administration that we can't wait for the boats to start," said Mark Foley, "We need to take a leadership role in averting another Haiti disaster or Florida will be facing chaos."

### Prime Minister Skerrit Inaugurated in Dominica

The Hon. Roosevelt Skerrit was appointed on January 8, 2004 by President, His Excellency, Dr. Nicholas Liverpool, as Dominica's 7th Prime Minister. The 31-year old former Minister of Education, Sports and Youth Affairs was selected to lead the Coalition Government following the sudden death of the Hon. Pierre Charles on January 6, 2004.

### Debt Relief for Nicaragua and Guyana

Nicaragua will receive \$US4.5 billion and Guyana \$413 million in debt relief under a program of the International Monetary Fund and World Bank to help poor nations get out from crushing debt burdens, according to joint IMF-World Bank statements on January 23 and 26, 2004.

The IMF and World Bank's International Development Association said that Nicaragua and Guyana had "taken the steps necessary to reach its completion point under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative". World Bank president James Wolfensohn observed: "the debt relief agreement is the result of the Nicaraguan government's steadfast pursuit of sound macroeconomic policies and structural reforms, and dedication to improve governance and fight corruption."

### New Guatemalan President Oscar Berger Promises Reforms

Oscar Berger was inaugurated as President of Guatemala on January 16, 2004, after a peaceful and orderly election, and immediately promised to attract private investment to create jobs, eradicate poverty, promote greater social and economic equality, and stamp out corruption. Mr. Berger, who served as mayor of Guatemala City from 1990 to 1999, also pledged to launch a major anti-corruption campaign and strictly adhere to the U.N.-brokered peace accords.

Representing the U.S. at the inauguration was Governor Jeb Bush of Florida, who indicated that President Bush was ready to meet with all of the Central American presidents. Governor Bush also indicated that the U.S. would work with the new Guatemalan administration on helping immigrants because, in the long run "we'll all win."

# 27<sup>th</sup> Miami Conference on the Caribbean Basin

Strengthening The Third Border™

December 8-10, 2003 Loews Miami Beach Hotel, Miami Beach, Florida



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