

# **2003 MIAMI CONFERENCE REPORTS**

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**27<sup>TH</sup> ANNUAL MIAMI CONFERENCE ON THE CARIBBEAN BASIN**  
***STRENGTHENING THE THIRD BORDER***  
**DECEMBER 8-10, 2003 LOEWS MIAMI BEACH HOTEL MIAMI, FL**

## **CARIBBEAN CENTRAL AMERICAN ACTION**

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**Public Policy Workshops - Tuesday, December 9, 2003**

**Capacity Building: The Investment in Needed Skill Sets**

**Moderator:** Mosina Jordan, Senior Advisor for Private Sector Initiatives, US Agency for International Development (USAID)

**Discussants:** Arthur Gray, Regional Economic Advisor, ECLAC; David O'Brien, President, Trinidad & Tobago Chamber of Commerce; Julieta Valls, President, FAVACA.

**Where do we need to be in 2005?**

**Issues:**

- Capacity building remains the cross cutting issue affecting the economic welfare of many countries; it is needed for economic stability, political stability, and global competition
- Human Resource Development is necessary for the development of not only skills and education but also of capabilities in handling issues of health, crime, drugs and other social policies
- Lack of competitiveness and competitiveness spirit in the region
  - Growth has been inhibited by the lack of dynamism in the small economies
  - Lack of adaptive personality—region must learn to adapt rapidly due to global changes
- Lack of “integrated policies”
  - Caribbean region as a whole lacks integrated policies which target problems specific to small economies
  - Policies aimed at poverty reduction also lack the added dimension of concern for environment
- Lack of substantial “entrepreneurial environment”
  - A new and more business oriented society in the Caribbean is needed
- Lack of “regionalized institutional resources”
  - Region requires resources and technical knowledge transfer

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Develop and implement integrated policies aimed at poverty reduction specific to small economies.
  - Program of Action addressing the needed skills set for competitive economy must be undertaken (sustainable development policies).
- Place entrepreneurship at the forefront of capacity building. Encourage it on a regional basis.
  - The creation of a new entrepreneurial milieu should be encouraged & led by private sector in the region.
  - Successful business models and regional leaders must be promoted.
  - Encourage all interested parties, particularly self-starters, through university and other programs.
  - Encourage the existing entrepreneurs by opening doors through the FTAA process.
- Foster greater linkages between public and private sector intra-region and extra-region.
  - Critical component to sustainable development initiatives in the region is knowledge sharing & best practices through public-private partnerships (FAVACA model).
- Caribbean region must be proactive and create enabling environment to foster competitive economies
  - Regional resources such as UWI funding must be utilized.
  - Region must lobby for necessary resources and technical knowledge transfer from extra-region.
- Telecommunications regulatory environment and infrastructure build out is critical to region's capacity building initiatives.
  - Telecommunications infrastructure is the underlying critical component that will facilitate and foster growth by supporting local business and entrepreneurship.

- Region is “under-capacity” in fiber optic deployment—investment is needed to get the region up to par.
- Holistic approach is needed in generating competitiveness, growth and sustainable development—macro-economic approach that incorporates public institutions, technology, national business and tertiary education needs.
  - Transparency on part of the public sector is critical to attracting investment.
  - Clarity is necessary on national and regional governmental levels.
- Commitment is needed for capacity building initiatives to succeed.
- New modes of thinking are necessary-region must change its outlook.
  - Less government involvement and more private sector leadership is necessary.

**CLAA Best Practice Study recommendations:**

- Public-Private Partnership Best Practice Approaches (FAVACA Model/Pilot Programs which have succeeded)

**Public Policy Workshops - Tuesday, December 9, 2003**

**Governance: Impartial Application of the “Rule of Law”**

**Moderator:** Dennis Flannery, Executive Vice President, Inter-American Development Bank

**Discussants:** Alvaro Casserly, CEO, Interconnect Ltd., Ernesto Grijalva, SVP Legal Affairs-Latin America-Caribbean, PriceSmart, John Hyatt, VP, The Irwin Brown Company

**Where do we need to be in 2005?**

**Issues:**

In the context of the FTAA, the standards of the rule of law will have to improve to adjust to the competition the region will face after 2005.

- Lack of “international standards”
  - Corporate governance is still hampered by nepotism and closed economies
  - Accounting standards remain fragmented and vague throughout the region
  - Corruption remains an epidemic in governments throughout the region
  - Loopholes in the legal framework hamper impartial application of the law
- Lack of “infrastructure”
  - Institution-building has been insufficient to apply and enforce laws on the books
- Lack of “scale”
  - Small economies with small, relatively uneducated populations tend toward nepotism, cronyism and lack of effectively trained personnel in government and the corporate world

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

Increase the impartial application of the law and strive towards good corporate governance.

- Institute International Standards across the region that promote **Transparency**
  - A common corporate governance standard should be established throughout the Third Border
    - Best practices should be instituted to achieve a international corporate governance standards
    - Independent auditors and accountants should be utilized to maximize accountability in the corporate sector
  - Rigorous standards should be set forth to reduce cronyism and nepotism in local governments
- Create the appropriate Regional Infrastructure to facilitate **Scale and Harmonization**
  - Training programs for regulators and essential government employees should be established to maximize competency
  - Regional institutions can work to improve communication flow and information access throughout the region
  - Published reports by independent auditors and accountants should be required for all corporations each year
  - Pay scales and oversight institutions should be created to ensure an independent, unbiased judiciary and enforcement apparatus

**CLAA Best Practice Study recommendations:**

- Accounting standards
- Judiciary oversight

**Public Policy Workshops - Tuesday, December 9, 2003**

**Integration: The Creation of Larger Markets**

**Moderator:** Claudia Rodriguez, Director, CABEL

**Discussants:** John Barnham, Editor, LatinFinance, Auguste Rimpel, Senior Partner, Boston Global Partners  
William Phelps, Chief of Party, CARANA, Vince Yearwood, CEO, BIDC

**Where do we need to be in 2005?**

**Issues:**

- The region needs to see its members as partners rather than rivals
- And integration of the region should precede penetration of new markets
- Skills and capacity-building; scale and larger markets; a streamlined bureaucracy; and the elimination of corruption are essential ingredients for integration

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Competitiveness requires private sector identification of market-driven skills, and early education in these skills.
- In the case of the Caribbean small economies, educational institutions should tap into larger communities.
- The private sector can develop know-how through joint ventures and industry associations.
- ISO certification for privatized agencies.
- Public sector streamlining has a model in private sector process reengineering.
- Lack of skills can be as large a constraint on investment as corruption.
- Integration, by definition, will promote transparency.
- While corruption should be combated, institutions are necessary; however, they must be non-discriminatory.
- Accountability and transparency is an imperative at the executive level.
- Petty corruption should be distinguished from grant corruption.

**Best Practice Examples:**

- Technical and know-how exchange in the West Indies Spirits and Rum Producers Association.
- Barbados' public sector process re-engineering.
- Nicaragua's anti-corruption campaign.

**Industry Sector Roundtable - Tuesday, December 9, 2003**

**Agribusiness: Anti-Bioterrorism Measures and Trade**

**Moderator:** Linda Swacina, Deputy Administrator, Food Safety and Inspection Service, USDA

**Discussants:** Miguel Garcia Winder, Director Comercio y Agronegocios, IICA, Gabriel Pascual, President, Central America-US Chamber of Commerce, Peter Quinter, Partner, Becker & Poliakoff, P.A.

Mari Stull, Director of Int. Regulatory Policy, Grocery Manufacturers of America (GMA)

**Where do we need to be in 2005?**

**Issues:**

- Lack of “international standards”
  - Many international exporters or potential exporters do not yet know what is required of them to trade in agricultural products to the U.S.
  - There is confusion over which U.S. agencies perform which functions related to trade security
  - Uncertainty over how much due diligence needs be performed by importers, warehousemen, and others along the chain
  - Prices and choices may change due to ABT regulations
- Lack of “infrastructure”
  - Time frames are very short for prior notification for countries very close to the U.S.
  - Record keeping costs and capabilities will need addressing

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Institute International Standards across the region that promote **Transparency**
  - A result of the due diligence and prior notification laws will be an upgrading and modernizing of infrastructure and trade capacity building
  - Small and medium enterprises will need adjustment assistance the most
  - Only manufacturers, storage facilities, and producers of food will need to register, and ABT regulations do not apply to meat, poultry, and eggs
- Create the appropriate Regional Infrastructure to facilitate **Trade Flows**
  - A census of producers should be developed to keep track of producers of food and agricultural products in exporter countries
  - Partnerships in the region should be developed to coordinate information sharing and policy
- Increase efforts at education so that exporters and importers of food know the changes in the law
  - Registration and more information available at the FDA’s website
  - Dates of registration and prior arrival notification: by Dec. 12, 2003
  - Four-month education and delayed enforcement period into 2004
  - Only last processor needs be registered

**CLAA Best Practice Study recommendations:**

- Record keeping and information-sharing practices for suppliers
- Cargo tracking apparatus

**Industry Sector Roundtable - Tuesday, December 9, 2003**

**Apparel Panel A: Independent Certifications – The Path to Raise Global Working Standards**

**Moderator:** Steve Jesseph, Vice President, Compliance & Risk Management, Sara Lee Apparel

**Discussants:** Willie Beuth, Eco-Tex Consortium; Don Planty, Executive Director, WRAP;  
Ivan Viera, VP International Human Resources, Russell Corporation.

**Where do we need to be in 2005?**

**Issues:**

- Labor standards and the enforcement of codes of conduct are crucial to passage of CAFTA in the United States.
- What are the next steps for codes of conduct?

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Work to educate private-sector leadership that codes of conduct are not non-tariff barriers to trade.
  - In some circumstances companies have seen a 2.5% increase in quality of product, purely as a result of increasing working standards at the factory level.
- To improve the effectiveness of labor standards, private-sector leaders should work with the community leadership and the government to help with code implementation.
  - The resources of a number of companies in the region are often times good or better than the resources available at the government level.
- Ensure that companies in the region are following universally excepted labor standards and codes of conduct so that they can do business with their global partners.

**Best Practices Recommendations:**

- Provide private sector led training that works directly with civil society and government to educate factory workers, factory owners and civil servants how to improve the enforcement of labor standards in the industry.
- Harmonize the enforcement of codes of conduct in the region by creating an independent Central American regulatory mechanism that employs the same standards and methods of enforcement in all countries.
- Encourage companies to register for the WRAP Certification Program.

**Industry Sector Roundtable - Tuesday, December 9, 2003**

**Apparel Panel B: Beyond 2005: A Global Perspective**

**Moderator:** Mike Todaro, Managing Director, AAPN

**Discussants:** Roberto Bequillard, President and COO of Argus International; Tom Travis, Partner, Sandler, Travis & Rosenberg, P.A.

**Where do we need to be in 2005?**

**Issues:**

- Effect of the elimination of quotas in 2005 – Competition with the Far East.
  - Apparel companies in the Far East produce goods faster and cheaper than companies in the region.
- Lack of an integrated regional approach to doing business in Central America.
  - Too much focus on selling the individual country instead of selling the region.
- Demand for quick response.
  - If you want to participate in the American market that demands quick response, you better learn how to respond quickly.

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Establish fewer apparel companies that are massive in scale with common standards and practices.
- Do more in terms of fashion design, quick turn around, and speed-to-market work that favors proximity, which is one of the most important advantages of doing business in the region.
- Continue to promote and use full package production.
- Industry leadership in each country should move away from selling itself individually and come together to sell itself as the Near South.
- Encourage private sector leadership in the region to attend Full Package Summit programs in 2004, 2005 and 2006.

**Best Practices Recommendations:**

- Combine small individual companies in to larger corporations to make business practices more efficient and combine resources.
- Establish a Central American apparel association to help to integrate factories and manufactures in all five countries and take advantage of the proximity to the US market as the Near South.
- Create an independent regional organization to help implement full package production.

**Industry Sector Roundtable - Tuesday, December 9, 2003**

**Energy: CAFTA, CBI Energy Integration & the FTAA**

**Moderator:** Gary Ward, Director, American Affairs, US Department of Energy

**Discussants:** Harrylall, Manager, Supply & Trading, Chevron Texaco Eastern Caribbean  
Brian Petty, Senior Vice-President, International Association of Drilling Contractors/  
Co-Chair, Energy Services Coalition

Juan Ignacio Vasquez, Country Chairman, Puerto Rico/ CA External Affairs Manager, Shell Company Limited

**Where do we need to be in 2005?**

**Issues:**

- Lack of “international standards”
  - Regulatory environments that are opaque or confusing do not promote market access
  - Energy services companies are not treated equally, regardless of origin
  - Like CAFTA (and the WTO), the FTAA lacks an energy services-specific negotiating group
- Lack of “infrastructure”
  - The infrastructure to support LNG integration in the Caribbean currently being assessed for feasibility
- Lack of “scale”
  - LNG storage capacity exceeds the size of markets for many islands
  - LNG must offset the high upfront costs of production
  - General silo-behavior undermines prospects for harmonization

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- The broadest possible market access commitments, securing all four GATS modes of provision
- An independent regulatory system not accountable to any one supplier
- Equal access to energy networks and grids
- Improved inventory management
- A coordinating body for regional energy investment

**CLAA Best Practice Study recommendations:**

- Public sector responses that facilitate market access

**CCAA 27th Miami Conference on the Caribbean Basin**  
***Strengthening the Third Border™***

**December 8-10, 2003 Loews Miami Beach Hotel, FL**

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**Industry Sector Roundtable - Tuesday, December 9, 2003**

**Financial Services: Remittances: Security, Cost and Access**

**Moderator:** Patricia Hamilton, CEO, Caribbean Association of Indigenous Banks

**Discussants:** Dale Crowell, Remittances Outreach Coordinator, PADF, Paul Dwyer, CEO, Viamericas Corporation, Katherine Johnson, Associate Managing Director, Krill Inc., Kai Schmitz, Executive Vice President & COO, MicroFinance Int. Corporation

**Where do we need to be in 2005?**

**Issues:**

- Lack of “scale”
  - Lack of competition drives prices up and slows remittance service development
  - Lack of home country bank branches in US immigrant centers
  - Major US banks not very involved
- Lack of “international standards”
  - Compliance leads to higher costs
  - Security costs make entry for US prospects difficult
  - Not much interaction or communication between remote locals, remittance providers, banks, microfinancers
  - Identification problems and mistrust of formal processes result in nonuse of banks
  - Not much remittance money is going toward development of the home country; most goes to consumption

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Institute International Standards across the region that promote **Harmonization**.
  - Some form of common identification card or identification policy should be undertaken by the industry to increase access by remitting parties
  - A platform of microfinancers should be built to facilitate this aspect of the industry
  - More banks should be recruited to take part in programs to divert a portion of remittance fees to development projects
- Create the appropriate Regional Infrastructure to facilitate **Scale and Flows**.
  - Invite indigenous banks to open more remittance-only branches in immigrant centers in the U.S. to expand options for remittances
  - Increase training and education about compliance regulations for new entrants
  - Information sharing can decrease the cost of compliance for remitters
  - Efforts should be made to educate the remitting public about the range of services and options they do have

**CLAA Best Practice Study recommendations:**

- Identification for remitting immigrants
- Indigenous banks opening remittance branches in the U.S.

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**December 8-10, 2003 Loews Miami Beach Hotel, FL**

**Industry Sector Roundtable - Tuesday, December 9, 2003**

**Telecom/IT: Region's Role in Global Policy Making Bodies**

**Moderator:** Selby Wilson, Secretary General, CANTO & Linda Wellstein, Partner, Wilkinson Barker Knauer LLP

**Discussants:** James Corbin, VP Sales and E-Business, Cable & Wireless Barbados; Philip Cross, Caribbean Regional Rep., ITU Barbados; Eric Fishman, Partner, Holland & Knight LLP; Godofredo Méndez, Blue Book Revision, CITELE; Graciela Piedras, Inter-American Telecom. Commission (CITELE); Kathia Quiros Sanchez, Regional Director for Caribbean and Central America, Microsoft Corp.; Gil Simoes, Manager of Business Dev., Caribbean & Latin America, Nortel Networks

**Where do we need to be in 2005?**

**Issues:**

- Lack of integrated, harmonized and competitive regional standards and policies which encourage growth of sector and utilization of new technologies.
  - Regulators in the region need guidance from the private sector as to which policies will generate growth and investment as well as how they can facilitate the use of the latest in available technologies.
- Lack of adequate participation on the part of the Caribbean Basin countries in CITELE and other critical telecommunications policy making institutions.
  - Role of regional private sector in these institutions is to advise policy makers on which policies are essential to their businesses and to generate investment.
  - CITELE/ITU-Blue Book for the Americas: opportunity for regional to share policy concerns and have a voice in the shaping of policy affecting the region.
  - Active participation will allow sharing of regional best practice approaches concerning the telecommunications and information technology sectors.
- Lack of regional and national approaches to connectivity, digital divide and other critical ICT issues of global concern.

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Creation of an enabling environment that supports business in the region through common standards and practices is critical to the telecom sector in the region
  - Public sector must play a role in the creation of a competitive telecom industry by implementing standardized and harmonized laws (harmonization is critical—particularly in spectrum and interconnection laws)
  - Harmonized and integrated regulatory policies need to be strengthened. They are the key to competitive framework.
  - Legal and regulatory policy making must be undertaken in balance with social and economic development concerns.
  - Transparent frameworks are critical.
  - Public sector should play a key role in making information on the sector available to all. In addition, it was noted that the private sector can guide the public sector officials in this matter by providing insight as to what type of information is critical to a potential investor.

- A proactive role on the part of the region’s private sector in shaping policy particularly in forums such as CITEL is necessary—need to be involved on public and private fronts.
- Private sector must emphasize digital divide issues and take a proactive approach in addressing connectivity, universal service and digital divide policies.
  - Private sector has a critical role to play in educating government officials and particularly policy makers as to technology issues and in particular technology developments.
  - Private sector must inform policy makers where technology is moving towards (developing) in the years ahead. It is incumbent upon the private sector to work with public sector officials by sharing successful industry best practices and business cases.
  - Better strategies for partnerships between the region and private sector must also be outlined.
- Nascent regulatory agencies must be provided guidance and support.
  - Training and additional educational opportunities for regulators in the region are needed
- New technologies and services must be promoted to the regulators in the sub-regions.
  - Regulators must understand technologies and services for which laws are being devised.
- Laws that ease technology transition into the region and also frameworks that guide the effective use of technology in the region are required.
  - Private sector must encourage policy makers to deploy latest technologies by educating government officials and policy makers on the latest technologies and their applicability across sectors.
- Road map for improving ICT policy approaches is needed.
  - “Agenda for Connectivity” provides guidelines for a regional approach to connectivity--Private sector must work with the public sector and each other to facilitate greater connectivity
  - Current national action plans on universal service, digital divide and connectivity must now be adapted to include sub-regional approaches.
  - Private sector must help in bridging capacity and resource gaps.
  - Initiatives can be helped by private sector advising public sector on technology trends. Another mode of assistance that was suggested was through Private Sector Advisory Councils to advise the countries on technology trends and educate how to balance off the social and economic development.

**CLAA Best Practice Study recommendations:**

- Best practices study compiling regulatory policies from island to island, country to country on a sub-regional level (ECTEL-model)—compile list of best practices in spectrum allocation, interconnection etc.

**Industry Sector Roundtable - Tuesday, December 9, 2003**

**Tourism: Session Title: Integrated Regional Tourism –Past and Future**

**Moderator:** Dr. Lincoln Marshall, Associate Professor, George Washington University / Director, Accelerated Master of Tourism Administration Program

**Discussants:** Robert Chasnow, Partner, Holland & Knight LLP; Lucia Salazar, Minister of Tourism / Executive Vice President, Nicaraguan Institute for Tourism; Alex Titcombe, Director of Product Development & Operations, Caribbean Hotels Association; Christine Walwyn, CEO, St. Kitts Tourism Authority.

**Where do we need to be in 2005?**

**Issues:**

- Lack of “scale”
  - Both the Caribbean and Central America currently lack a single entrance visa
  - Branding for regional tourism in Central America lags behind the Caribbean
    - Lack of “regional standards”
      - Sustainability standards for Central America are currently only national
        - Lack of “infrastructure”
        - Infrastructure is lacking to take advantage of the market for timeshares, especially in the Caribbean
        - Lack of “capacity”?

What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?

- Expand Nicaragua’s “Certificate of Sustainability” throughout the region
- Leverage the World Cricket Championship to promote visa harmonization in the Caribbean
- Time cruise ship calls to limit environmental damage
- Regional Tourism Product Development
  - Consider the “*One Caribbean*” website as a model for Central America
  - Share national databases of visiting tourists regionally
  - Craft a tourism product unique to the region(s), based on heritage, nature, and sports
  - Take advantage of the demand for ownership in the Caribbean

**CCAA Best Practice Study recommendations:**

- Sustainability certification in the Caribbean and Central America
- Regional visa harmonization and requirements

**Public Policy Workshops - Wednesday, December 10, 2003**

**Environment**

**Moderator:** Glenn Prickett, Executive Director, Center for Environmental Leadership in Business, Conservation International

**Discussants:** Michael Crye, President, International Council of Cruise Lines, Elaine Denning, International Affairs Specialist, National Oceanic & Atmospheric Administration, Virginia Green, Vice-President, Overseas Private Investment Corporation, Joseph Matalon, Chairman, Jamaica Promotions Corporation, Kelly Robinson, Director, Environmental & Social Affairs, Grupo Punta Cana

**Where do we need to be in 2005?**

**Issues:**

- Lack of “international standards”
  - Environmental protection standards remain fragmented throughout the region
  - Standards recommended internationally are too sophisticated or expensive for local implementation
- Lack of “infrastructure”
  - Basic municipal infrastructure (waste disposal, water, energy, etc.) is insufficient
  - Governments lack enforcement capacity, and some standards may be unrealistic
- Lack of “scale”
  - Public sector attention to infrastructure financing is lacking
- Lack of “cooperation”
  - Public and private sectors are not cooperating well on the environmental and social aspects of projects and the terms of investment (i.e. tax incentives)

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

Increase public-private sector partnerships.

- The region can take advantage of large corporate interest in voluntary environmental initiatives
  - Natural resources are the basis for regional industry and are assets to protect
  - Corporations will support tough environmental standards as long as there is a level playing field
  - Environmental practices can have benefits for corporations (i.e. sound management of shared fisheries resources, corporate cost savings from energy and water efficiencies)
  - Government financing (esp. U.S.) can incentive environmental protection
- Master-planning involving all stakeholders is necessary where commercial activity coincides with environmental concerns

Increased communication and coordination in-country and within the region.

- Increased communication and coordination between governments, civil society and the private sector in-country can yield better agreements on a way forward
- Coordinating regionally can provide opportunities to pursue partnerships and other actions

# CCAA 27th Miami Conference on the Caribbean Basin

## *Strengthening the Third Border™*

**December 8-10, 2003 Loews Miami Beach Hotel, FL**

### **Health: Private-Public Partnerships In Combating The HIV/AIDS Epidemic**

**Moderator:** John Agwunobi, Secretary of Health, State of Florida

**Discussants:** Kenneth Bleakley, President & CEO, FONEMED; Bill Conn, Associate Director for Latin America and the Caribbean, The Institute for HIV/AIDS, Family Health International (FHI); Kathleen Donawa, Regional Manager, Public & Government Affairs - Caribbean, ChevronTexaco & Vice President - Caribbean, CCAA; Sabine Durier, Principal Strategy Officer, Program Leader, "IFC Fight Against AIDS", IFC; Adolfo Franco, Administrator for Western Hemisphere, USAID; Ramon E. Riancho, Regional Director, Legal and External Affairs Department, MSD Caribbean, Merck Corporation; Mario Vulinovich, Country Chairman, Jamaica, The Shell Company WI Ltd.

#### **Where do we need to be in 2005?**

##### **Issues:**

- Epidemic is wide spread in the Caribbean Basin and is at crisis levels
- Leadership and commitment by government and industry is key
- There is a need to fight stigma, promote treatment and prevention in the workplace (each company can do so through their own programs/policy)
- Companies in the Caribbean Basin should standardize programs—which can serve as models throughout the region (copy and adapt, keep policies simple)
- Governments must facilitate corporate involvement by encouraging good corporate citizenship

##### **What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- The public & private sectors must leverage technology to educate citizens and the workforce (Clinical Protocols; Health Data (via internet and intranet) )
- Foster greater partnerships and linkages via use of technology
- Utilize technology to transfer knowledge on business best practices and private-public sector partnerships
- To reverse spread of epidemic, private and public sector can facilitate partnerships (NGOs-Corporations; Institutes of Health)
- Understand and educate workforce on risks to business and economy
- Encourage company level and employee interventions
- Utilize media to educate citizenry and promote role of private sector in fighting this disease
- Create private-public councils to educate and train workforce and citizens

#### **CLAA Best Practice Study recommendations:**

- Global Best Practices is necessary; companies in the Caribbean Basin can utilize approaches that have worked in Africa and globally to alleviate the spread of the epidemic
- Programs must be monitored and evaluated over time to extract best practice approaches

**Public Policy Workshops - Wednesday, December 10, 2003**

**Linking Traditional Industries: Agriculture and Tourism**

**Moderator:** Dr. Chelston Brathwaite, Director General, Interamerican Institute for Cooperation in Agriculture

**Discussants:** Byron Blake, Assistant Secretary General, CARICOM, Christine Walwyn, CEO, St. Kitts Tourism Authority

**Where do we need to be in 2005?**

**Issues:**

- Lack of “international standards”
  - The development model used in the region has tended to favor urban over rural development
  - Agriculture and tourism will need better environmental standards to flourish in the future
  - There is no universal branding or wide-scale organized effort to promote ecotourism or gastronomical tourism throughout the region
- Lack of “scale”
  - The small size of the territories in the region put the ag sectors in these countries at a disadvantage while still remaining an important industry for these countries
- Lack of “regional infrastructure”
  - The potential for agritourism is great but the infrastructure needed to reach its potential is not yet in place
  - Diversification of products will be necessary for Ag in the Third Border to survive

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Institute International Standards across the region that promote **Harmonization**
  - Organized branding efforts to promote ecotourism and gastronomical tourism in the region should be made as the industry develops
  - Local agriculture industries will need investment and upgrading to meet the needs of local tourism industries as well as to be more environmentally friendly and worthy of gastronomical tourism
- Create the appropriate Regional Infrastructure to facilitate **Integration**
  - Links should be made to allow for local farmers to supply hotels, cruise ships and local restaurants with local produce, and the needs of these entities should likewise be made known to the local ag industry
  - Physical infrastructure (roads, water, etc) will need to be improved to transform traditional agriculture to an industry suited to serve tourism
  - Concerted efforts must be made to conserve and restore the ecology of the region
  - Efforts by governments and multilaterals must be made to act as a bridge between producers and the tourism industry to facilitate communication on needs and price

**CLAA Best Practice Study recommendations:**

- Gastronomical and enological tourism
- Food needs of the region’s tourism industry

**Public Policy Workshops - Wednesday, December 10, 2003**

**Transparency: The Private Sector's Fight Against Corruption**

**Moderator:** Enrique de Obarrio, Vice President, Association of Business Executives (APEDE) & President of its Ethics and Civic Affairs Commission.

**Discussants:** Walter Bastian, Deputy Assistant Secretary for the Western Hemisphere, U.S. Department of Commerce; Dr. Phil Nichols, The Wharton School of the University of Pennsylvania; Miguel Garcia Gosalvez, Casals and Associates.

**Where do we need to be in 2005?**

**Issues:**

- The need for more transparent and accountable government institutions.
- Installation of an ethical culture in business, government, and politics.
- Competitiveness, sustainable development, equality and prosperity are directly linked to the impartial application of the law and good governance.
- Greater political efficiency in the way political leaders work and run the country.
- Abolishment of corruption in the public and private sectors.

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Recognize that there can not be a separation between public and private ethics – there are three parties involved in an act of corruption, one from the private sector, the other from the public sector and the third is the rest of us who tolerate the act of corruption and do nothing about it.
- The problem must be addressed in an integrated way, with a proactive and creative attitude, away from rhetoric and antagonism.
- The private sector must take a leadership role in fighting corruption and promoting transparency through good corporate practices.
- Proposed actions needed to create transparent and ethical practices in the region include (based on the “Business Ethics Covenant of Panama” adopted by over 20 business, commerce and industry associations in Panama on October 21, 2003):
  - Draft and implement generally accepted business ethics principles that serve as a reference and guide for companies to develop their codes of conduct and corporate governance policies.
  - Provide a forum for regular constructive dialogue within the private sector to promote the implementation of good business ethics practices.
  - Provide opportunities for business ethics training, especially for small and medium sized businesses.
  - Promote a Business Ethics Manual developed by the U.S. Department of Commerce’s Good Governance Program to serve as a reference for countries in the region.
  - Create a coalition between the private sector, public sector and civil society led by the private sector to monitor the ethics and transparency in society as a whole and to conceptualize, coordinate, and implement concrete solutions to obstacles of good governance.
  - Develop and implement a system of certification of ethical conduct in business – a new ISO standard for the certification of ethical conduct in business.

**Best Practices Recommendations :**

- Encourage companies throughout Central America to adopt and implement voluntary codes of conduct.
- Encourage countries and companies to raise awareness of the importance of transparent and ethical business practices through adoption and implementation of an Ethics Pact similar to the Panamanian model.

**Public Policy Workshops - December 10, 2003**

**Security & Customs: “Protecting the Third Border-the Trade-off Between Safety & Commerce.”**

**Moderators:** **Douglas Browning**, Deputy Commissioner of Customs & Border Protection, and **Lee Sandler**, Sandler, Travis & Rosenberg

**Discussants:** **Anthony Bryan**, Director, Caribbean Border Security Project, University of Miami; **Ron Oleynik**, Partner, Holland & Knight, LLP; **Kim Peterson**, President, SeaSecure; **Francisco Santeiro**, Managing Director, Latin American & Caribbean Division.

**Where do we need to be in 2005?**

**Issues:**

- The standing operating procedures for international sea-borne trade have changed permanently. In less than a year, the US Department of Homeland Security has integrated 22 agencies, consolidating immigration, customs and agriculture inspection functions to present “one face at the border” with the US Bureau of Customs and Border Protection
- A number of initiatives affecting importers have also been implemented. These include the Customs-Trade Partnership Against Terrorism Act (C-TPAT); the Free & Secure Trade Initiative (FAST); the Container Security Initiative (CSI); the Bio-terrorism Act of 2002, and new regulations and laws, such as the Maritime Transportation Security Act (MTSA) and the International Maritime Security and Port Facility Code (ISPS).

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Improve Border technology by:
  - Carrying out threat & vulnerability analyses
  - Fix gaps in security
  - Get statement of compliance
- Risk Management:
  - Focus available management resources on what is deemed to be of high risk
- Move toward a regional harmonization of security measures
- Improve quantity and quality of border personnel

**CLAA Best Practice Study recommendations:**

**CCAA 27th Miami Conference on the Caribbean Basin**  
***Strengthening the Third Border™***  
**December 8-10, 2003 Loews Miami Beach Hotel, FL**

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**Industry Sector Roundtable - Wednesday, December 10, 2003**

**Apparel: Global Business Strategies**

**Moderator:** Michael Fralix, President & CEO, [TC]2

**Discussants:** Bill Bass, Lands End/Sears; Raul Garcia Tapia, General Director, Camara Nacional de la Industria del Vestido; Justin Huang, The Taiwan Textile Federation; Umut Oran, President, IAF, TCMA and Euratex Clothing Group.

**Where do we need to be in 2005?**

**Issues:**

- What are the strategies being put in place now that will be executed over the next five years to make companies more competitive?
- How should companies differentiate themselves from their competitors?
- What are the expectations for suppliers to the U.S. market?

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Take steps to compete globally by decreasing costs in manufacturing.
  - For example, move production to areas in country where costs for services, utilities and rent are less expensive.
- Follow business strategies that are unique and different from the same things that industry has been doing in the region.
  - Follow a model from Taiwan in which the company focused on an integrated model of design and functional fabrics to compete with its neighbors.
- Make preparations for the production and delivery of custom-fit products for consumers making online purchases.
  - Lands End found that companies in Asia were able to service these types of orders in half the time and at a lower cost. They then were able to ship these products to the United States, made to order.
  - Apparel industries in the Caribbean Basin should take steps to adapt to custom-fit products ordered by customers on the Internet.
- Improvement in responsiveness to customers, service and delivery.
  - In order to compete with China, companies must be quick while providing a high level of service at the same time.

**Best Practices Recommendations:**

- Invest in training and infrastructure that incorporates new technologies and e-commerce in to apparel production.
- Mobilize the private-sector leadership to create a task force to promote harmonized and efficient customs practices to facilitate commerce with the U.S. by reducing the impediments to trade that slow the pace of production in the region.

**CCAA 27th Miami Conference on the Caribbean Basin**  
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**Industry Sector Roundtable - Wednesday, December 10, 2003**

**Energy: Alternative Energy Sources –Improving Competitiveness Through Diversification**

**Moderator:** Mariano Gurfinkel, Assistant Director, CETA, FIU

**Discussants:** Patricia Alleyne, Managing Director, Barbados National Terminal Company, Roland Clarke, Project Manager, CREDP, CARICOM, Anthony Hylton, Special Envoy for Trade, Jamaica, Mark Lambrides, Senior Energy Specialist, OAS, Robert Riley, Chairman, BP Trinidad & Tobago, Alfredo Fernandez-Sivori, CCA Public Affairs Manager, ExxonMobil, Teofilo de la Torre, Project Manager, SIEPAC

**Where do we need to be in 2005?**

**Issues:**

- Lack of “scale”
  - The geographic limitations of the Caribbean are barrier to the commercial development of grid-tied renewable energy
  - The geography of Caribbean also is a limiting factor for alternative energy imports and LNG
- Lack of “infrastructure”
  - High costs of transportation and storage, especially for LNG, delay the investment in alternative energy imports
  - Infrastructure for the transmission of electricity between islands that would facilitate larger markets is lacking
  - Infrastructure that would provide a foundation for regional LNG integration still conceptual
- Lack of “capacity”
  - Capacity of the region to attract private investment in alternative energy is lacking
  - Capacity of the region to develop and manage new energy systems needs assistance
- Lack of “international standards”
  - Caribbean market conditions determine their own local pricing in order to ensure reliable supply

What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?

- Diversify energy investment and development without discrimination (fuels switching)
- Rationalize the diesel fuels market given the horizon for renewables and alternative energy
- Incentivize the investment climate for cross-border electrical markets in the Caribbean, possibly through tariff and contract restructuring
- Include the US public sector in the discussion of infrastructure financing for both local alternative development and LNG imports

**CLAA Best Practice Study recommendations:**

- Renewable energy promotion in Central America
- Natural gas as a bridge between conventional fossil fuels and a renewable future in the Caribbean

**Industry Sector Roundtable - Wednesday, December 10, 2003**

**Financial Services: Overcoming Obstacles to Capital Formation**

**Moderator:** Yolanda Suarez, Chief of Staff, Stanford Financial Group

**Discussants:** Adolfo Arguello, General Manager, Grupo Uno, Rolph Balgobin, Executive Director, UWI-IOB  
Robert Sherretta, President, International Investor, Jose Sirven, Partner, Holland & Knight, LLP  
Baljit Vohra, General Manager, Eastern Caribbean Securities Exchange, Roberto Zamora, President, LAFISE

**Where do we need to be in 2005?**

**Issues:**

- Lack of “international standards”
  - Lack of harmonization of national financial legislation
  - Lack of communication and harmonization between financial bodies such as exchanges
  - Corruption and lack of rule of law is a major detracting factor for investors
  - Private business is not active enough in pushing for changes
- Lack of “regional infrastructure”
  - Caribbean and Central America lack efficient, productive regulatory frameworks and enforcement
  - Common support institutions (like clearinghouses) are required for effective integration
  - Risk capital and seed capital lacking
- Lack of “scale”
  - Common currency: for a market to be competitive and predictable a common currency is needed
  - Small markets lead to lack of access to capital and low returns to capital

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Institute International Standards across the region that promote **Transparency**
  - Regional Payment and clearance systems with quick clearance times
  - Integrated and harmonized legislative framework: this will allow investors to be comfortable investing in the region and not have to deal with understanding many different confusing and illogical legislations
  - Education for legislators and regulators to help reduce incompetence
  - Markets should be adjusted to be good sources of seed and risk capital
    - Making IPOs easier and more frequent
    - Enlisting the participation of CABEI and the CDB
- Create the appropriate Regional Infrastructure to facilitate **Transaction Flows**
  - Creation of regional clearinghouses, order books, and other common financial institutions
  - Creation of an active common regulatory body with information-sharing capacity
    - Enlist the best and brightest to government service in regulation
    - Corruption must be addressed in a systemic and thorough way
    - Communication with private sector is essential to growth and success
- A predictable common currency is needed to be competitive
  - In the interim a stable and competitive exchange rate in each country is needed

**CLAA Best Practice Study recommendations:**

- Regional payment and clearance systems
- Securities exchange and banking regulatory practices

**Industry Sector Roundtables- Wednesday, December 10, 2003**

**Intellectual Property Rights: IP Issues In the Caribbean Basin**

**Moderator:** Rosanna Cooper, Managing Partner, RT Cooper

**Discussants:** Michael J. Buchenhorner, Partner, Holland & Knight LLP; Diane Daley, Intellectual Property Partner, Foga, Daley & Co.; Allison Demas, Chief Executive Officer, Copyright Organization of Trinidad and Tobago (COTT); Peter N. Fowler, Senior Counsel, Office of Enforcement, External Affairs, United States Patent and Trade Mark Office; Cordell Green, Executive Director, Broadcasting Commission of Jamaica; Juan Carlos Guzman, Senior Attorney, LATAM, Microsoft

**Where do we need to be in 2005?**

**Issues:**

- Caribbean countries are part to some of the main multi-lateral treaties but not most treaties
- Harmonization of IPR in Caribbean can be undertaken, looking at the EU model, it is possible to harmonize laws—EU has done so in trademarks and designs and harmonization of patent rights
- Caribbean closer to harmonization as there has been a shift in development of the laws and there is more awareness for the value
- Piracy—particularly software piracy and music infringement is critical in the Caribbean (Bringing in unlicensed software)
- Exploitation of musicians in the Caribbean--Unlicensed exploitation
- Copyright violations—owners not benefiting from their works
- Unlicensed use of satellites in the Caribbean—Jamaica is an example of the extent of the problem and the difficulty in regulating this area
- Piracy issues major problem countries products flooded
- Caribbean-Customs, police and courts not working together
- Substantial revenue lost due to piracy and not developing IPR
- Investment in countries corporations invest in countries that have developed IPR rights
- Caribbean countries are not implementing TRIPS losing out
- Countries have to realize exceed to most treaties to meet level of IPR level required

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Bilateral and multilateral free trading agreements must address and advance IPR protection
- The governments must become party to all treaties
- Enforcement of IPR--How can it be done
- Harmonization on the regional level to combat piracy
- UK: register a company its product with Customs stop counterfeit products coming
- Government agencies can police for unlicensed products utilizing or selling counterfeit goods
- Government agencies and private sector have to work together. Governments are not realizing the value of IPR
- Implementation of TRIPS and where the countries are--Trinidad and Tobago—implemented issues with training need for experts, judges and courts
- The region still faces challenges --Jamaica—copyrights Patents not implemented
- Training and educating at all levels—school age
- Realize that is important licensed products are revenue investment
- Awareness is important at early level
- Jamaica an Barbados Trinidad training with gov't organization to value IP

- Laws have to allow countries to keep abreast of technological changes and developments
- Governments have to recognize that revenue have been lost by not protecting the IPR of their countries
- Piracy-enforcement measures in country and at borders is critical
- Harmonization of IPR within the Caribbean and Central America is necessary
- Implementation of TRIPS (Trade Related Aspects of IPR) is key to trade agreements

**CLAA Best Practice Study recommendations:**

**Industry Sector Roundtable - Wednesday, December 10, 2003**

**Telecom/IT: Growth & Investment Opportunities for the Private Sector**

**Moderator:** Richard A. Nixon, Director of Strategic Business Development; CALA Region, Nortel Networks

**Discussants:** Raymond Bulengo, Regional Sales Director, Caribbean and Bermuda Region, Nortel Networks; C. Courtney Jackson, Deputy Director General, Telecommunications, Office of Utilities Regulation, (Jamaica); Eric Fishman, Partner, Holland & Knight LLP; David Hall, Chief Operating Officer, Digicel (Jamaica); Alvaro Lopez, Senior TelcoBDM, Central America and the Caribbean, Oracle; Marne Martin, VP Business Development, Digicel Holdings; Mark J. Palchick, Counsel, Womble Carlyle Sandridge and Rice.

**Where do we need to be in 2005?**

**Issues:**

- Telecommunications sector is one, which touches all industries and every day life.
  - It is a public utility that touches everyone's way of life and therefore has extraordinary reach in terms of impacting and changing lives. Different stakeholders depend on telecom to increase their standard of living.
- Adoption of new technologies allows access to new communities and new regions.
  - New technologies bring speed to market, lowers upfront investment costs.
- Regulators and policy makers need to put into place different means and enablers to allow new technologies to enter markets.
  - Governments must drive growth and investment—regulators have a critical role in the investment process.
  - Public sector must be engaged and change must be driven through public sector.
- Harmonization and standardization of policies is critical to regional development.
- De-regulations have brought some benefits to the region.
  - Telecommunications penetration has increased in the region (Jamaica cited as model).
  - Competition and market growth has benefited consumer by driving costs down (Jamaica).
  - Telecom affordability must be #1 priority.
  - Key among the benefits is lower prices; example cited was that it is cheaper to call Miami from St. Lucia than to call from Miami to St. Lucia.
  - Additional benefits noted include: increased mobility and commerce as a result—bringing additional jobs, economic stability and growth. Consumer's benefit through greater choice, better prices, and jobs employment opportunities. Also, it should be noted that there has been a filter down effect—governments now have new sources of revenue through tax and duties (Capital imports and subscriber sets) (employer and business taxes).
  - Jamaica—model of a successfully liberalized market in the Caribbean.
  - Digicel's cellular operations in Jamaica and Eastern Caribbean is a model of successful new entrant company in the region.
- In the Caribbean, there is an issue of economies of scale in which there are challenges to incumbents to manage the network and change their business model while operating in new environments.
  - Both, the incumbents and new operators must continue to be successful or try to be successful in such competitive markets.

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- Human resource development—training and education are key to building a competitive telecom infrastructure in the region.
- Inter-connection agreements with incumbents are critical to generating investor interest and investment.
- Financing—venture capital and other sources of funding to drive infrastructural build out is critical.
- Opportunities exist for funding and growth currently in mobile and ISP (internet) markets in the Caribbean (competitive market in the English speaking Caribbean).
- Challenges include diversified market in varying stages of development so Pan-Caribbean strategy is difficult to implement.
- Multi-media (voice, data, video etc) are the future for the region—greater capabilities enhance business and local entrepreneurship & growth.
- More efficient telecom structures throughout sub-regions is necessary.
- Regulators need training and continued support through technical knowledge sharing (best practices).
- Private sector can play a role in informing public sector officials on how to find ways to balance the public interest, corporate motives, and political directive in creating harmonious telecommunications policy.
  - Hosting of educational forums in the region will allow for the private sector to highlight issues critical to them and to underscore the role of vendors and stakeholders in the region.
- Regulators and policy makers struggle with getting it right and partnerships can help support their efforts.
- Critical to new policies is the implementing of processes to incorporate new and emerging technologies.
  - The private sector can help inform public sector officials on the certain requirements and qualities services that need to be met, particularly quality of service issues-cost and service issues.
- Private sector should play a role in educating the public sector on successful practices and processes in the region, which benefited the Caribbean Basin.

**CLAA Best Practice Study recommendations:**

- Best practices study compiling regulatory policies from island to island, country to country on a sub-regional level (ECTEL-model)—compile list of best practices in spectrum allocation, interconnection etc.

**Industry Sector Roundtable - Wednesday, December 10, 2003**

**Tourism: Biodiversity in Tourism – Sustaining a Competitive Advantage for the Caribbean Basin**

**Moderator:** Jamie Sweeting, Director, Travel & Leisure, Center for Environmental Leadership in Business (CELB), Conservation International

**Discussants:** Steve Collins, Director, Environment Programs, Royal Caribbean Cruise Lines, Cecil Miller, Director, Inter-Sectoral Unit for Tourism, OAS, Deirdre Shurland, Director Caribbean Association for Sustainable Tourism, Allesandra Vanzella-Khoury, Programme Officer, UNEP-CAR/RCU

**Where do we need to be in 2005?**

**Issues:**

- Natural & cultural asset base is crucial to sustainable tourism
  - Tourism is the major economic driver in the Caribbean Basin.
  - Tourism is very dependent on healthy marine eco-systems even without first-hand tourist experiences.
  - Cultural and natural resources are the heritage of the people of the Caribbean Basin.
  - Need for protected areas but even greater need for management of existing areas. 300 marine protected areas exist in the Caribbean but only 30% are being managed.
  - Destruction of coral reef is a major concern across the region.
  - Need to establish and enforce regimes to prevent importation of non-native flora and fauna.
- Alliances and partnerships are essential for biodiversity.
  - No one party can be solely responsible; it is a shared challenge for the common good.
  - The need is to build trust among all parties – public & private sectors as well as NGO's.
  - User fees can work if the tourists perceive value and are given an opportunity.
- Demand vs. supply: It is a misperception that “Green does not sell.”
  - “How can biodiversity not make good business sense?”
  - “If green does not sell, quality business products do.”
  - Protecting the pristine quality of the Caribbean is an investment that will pay off.
  - “Who wants to swim in polluted water? Who wants dirty beaches?”
  - There is a 5-7 year window where tourists will demand a higher standard in environmental quality.
- Public / Private sector action is required
  - Too little private sector participation.
  - Public sector should subject their plans to the same level of scrutiny as the private sector.
  - Difficulty in the Caribbean regarding policy & planning by the public sector.
  - The Caribbean private sector has not been particularly forthcoming in funding sustainable development projects or eco-tourism projects in the insular Caribbean. Costa Rica could be a good source of learning for the Caribbean in this regard.
  - Cruise lines have been better at eco-friendly practices in recent years. Cruise lines are actively pursuing advanced waste water treatment practices as well as responsible solid waste disposal practices.
  - Action is needed in the hotel industry, particularly in smaller property upgrades
  - There is a need to educate the banking system to help them better understand small hotel financing for biodiversity retrofitting.
  - The OAS is confident that sources of financing can be found for small property upgrades consistent with biodiversity.

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?:**

- Investigate opportunities to improve conditions for financing small hotel biodiversity retrofits.
- Improve biodiversity awareness among private sector groups.
- Expand management of existing protected areas
- Charge a premium for use of protected areas
- Incentivize small hotel upgrade
- White Water to Blue Water Conference in Miami in March 2004 will address specific biodiversity projects.

**CCAA Best Practice Study recommendations:**

- Facilitating private sector investment in sustainable tourism
- Public sector collaboration with the cruise industry

**Industry Sector Roundtables - December 9 (a) & 10 (b), 2003**

**Transportation**

**a) Moderators:** Commander Bob Kirk, US Coast Guard, 7th Coast Guard District & Raymond Barberesi, Director, Ports and Domestic Shipping, US Maritime Administration

**Discussants:** Michael Crye, President, International Council of Cruise lines, Rick Murrell, President, Tropical Shipping, and Carlos Valdes, President, Trade & Transport Council.

**b) Moderators:** Captain James Watson, Captain of the Port, US Coast Guard Marine Safety Office  
Kim Peterson, President, SeaSecure

**Discussants:** John LaCapra, President, Florida Ports Council, Nelson Oramas, Director for Security, Port of Miami, Corah Ann Robertson-Sylvester, CEO Seaboard Jamaica and Caribbean Shipping Association, George Williamson, Port Director & CEO, Tampa Port Authority, Gabriel Pascual, President, Central America-US Chamber of Commerce

**Where do we need to be in 2005?**

**Issues:**

- Implementation of new security requirements that will enter into force on July 1<sup>st</sup>, 2004
  - November 2002, the Maritime Transportation Security Act (MTSA) was signed into law. It is meant to protect the United States' maritime community from terrorism attacks.
  - December 2002, the International Maritime Organization adopted the International Maritime Security and Port Facility Code (ISPS), which requires ships on international voyages and the port facilities that serve them to take appropriate measures against security incidents.
- Funding is the main limitation for implementing security requirements
- Security requirements affecting the transportation industry will affect all other industry areas because without the ability to move goods and people to and from the United States, the trade, tourism, shipping, and all the industries that depend on these will be affected

**What needs to be done to meet those expectations, strengthen the region, and make the Caribbean Basin more competitive?**

- The action steps needed to effectively address new transportation security requirements need to be addressed in the highest levels of Caricom, the CACM, the FTAA discussions, and the US government
- Countries in the Caribbean Basin need assistance in securing their ports and with the assessment and implementation phases of compliance, in developing institutional frameworks and port security plans
- Each country must designate an agency that is in charge of their port security, and give one person the authority and responsibility for implementation as well as for seeking assistance in the development of security assessments and security plans.
- Need for the establishment of a Caribbean Ports Council, a regional institutional body that would oversee the allocation of funds and the implementation of the requirements needed for compliance.

**CLAA Best Practice Study recommendations:**

- Port assessment of the Caribbean Basin

- Comprehensive on-site security survey and vulnerability assessment
- Identification of existing security measures and procedures, and those operations requiring protection
- Knowledge of threats and their likelihood, coupled with a commensurate prioritization of security measures
- Identification of security weaknesses—including human factors, port infrastructure, policies and procedures
- Determining cost of compliance, infrastructure modernization, and security training programs, and identifying a funding mechanism.