



Economic Commission for Latin America and the Caribbean
Subregional Headquarters for the Caribbean

Caribbean Regional Seminar on the “Future for Decolonization in the Non-Self-Governing Territories. What are the Prospects?”

Report by the Economic Commission for Latin America and the Caribbean

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Provision of development assistance to Non-Self-Governing Territories by the Economic Commission for Latin America and the Caribbean

Reporting Period: 2015-2016

On behalf of the Executive Secretary, Ms. Alicia Bárcena, the Economic Commission for Latin America (ECLAC) is grateful for the opportunity to participate in this Caribbean Regional Seminar in Kingstown, Saint Vincent and the Grenadines.

Background

The Caribbean is home to a number of small island territories for which France, the Netherlands, the United Kingdom, and the United States of America respectively serve as Administering Powers. Of the remaining Non-Self-Governing Territories (NSGTs) classified by the United Nations General Assembly, seven are Associate Members of ECLAC. They are: Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, Montserrat, Turks and Caicos Islands, and the United States Virgin Islands. In addition, Puerto Rico is also an Associate Member of ECLAC. Together with other island States, these Associate Members share similar challenges and vulnerabilities.

Development Challenges of Non-Self-Governing Territories

During this reporting period, ECLAC undertook a comprehensive assessment of the international political developments that would likely impact the ability of the Non-Self-Governing Territories in the Caribbean to exercise their rights to self-determination¹. Among those were the 23 June 2016 referendum vote of the United Kingdom to withdraw from the European Union (EU) and the expansion of the practice of de-risking, where international commercial banks withdrew correspondent banking relationships (CBR) with territories that were considered high risk.

The impact of the United Kingdom's withdrawal from European Union on the six Overseas Countries and Territories (OCTs)² has not been fully understood. However, there are early indications that certain benefits may be at risk. Those included, the opportunity for the Administering Power to lead negotiations on behalf of the OCTs with the EU; the strengthening of the political voice of the OCTs with agreements that were aimed at modernizing the specific relationship between the OCTs and the EU; as well as the economic benefit that several Caribbean OCTs derived in the aftermath of natural disasters, and the substantial EU allocations to support the OCTs in climate change mitigation, strengthening environmental conservation, and reducing dependence on fossil fuels. The effect could thus result in a major negative impact on the peoples of the Territories. Moreover, Territories that are especially dependent on the financial services sector³, are likely to be negatively impacted by the withdrawal

¹ Alexander, D. & Corbin, C. (2016). Assessing opportunities for enhanced integration of the associate members of the Economic Commission for Latin America and the Caribbean. Port of Spain: ECLAC. (LC/CAR/TS.2017/1)

² Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Montserrat, and Turks and Caicos Islands.

³ Bermuda, British Virgin Islands, and the Cayman Islands.

of the Administering Power from the negotiating forums, and as such, will neither be able to advocate for key development issues, nor defend the national aspirations of the Territories.

Similarly, on the issue of de-risking, the financial services systems within many of the NSGTs had begun to experience the consequences of that crisis. Money transfer services in the Cayman Islands and the Turks and Caicos Islands were significantly impacted, with a major proprietor closing its operations in the Cayman Islands in July 2015 (Caribbean Development Bank, 2016). Moreover, given the increased regulation and scrutiny that had been applied to correspondent banking relationships, large international banks had ceased to provide some types of banking services, thus increasing the cost of doing business in the Territories.

Altogether, given that the financial sector in some Territories was the largest contributor to GDP, and thus central to their economic growth and development, there was the risk that the withdrawal of CBR would destabilize the economic and social fabric of those societies.

In the light of that, the Territories were called upon to embrace longer-term strategic approaches to national development planning. For example, some Territories were challenged with limited institutional capacity arrangements and data collection systems to direct and monitor economic and social development. To that end, the Territories recognized the importance of mainstreaming the Sustainable Development Goals within their national planning processes.

Supporting the Non-Self-Governing Territories to respond to their Development Challenges

Since the last Caribbean Regional Seminar on the implementation of the Third International Decade for the Eradication of Colonialism was convened in Managua, 2015, ECLAC has continued to actively support its Associate Members within its core areas of work through the convening of intergovernmental meetings, technical and expert group meetings, and capacity-building workshops and seminars, at which their full participation was accorded. Further, under the umbrella of the Regular Programme for Technical Cooperation (RPTC), Associate Members also benefited from several advisory services and technical cooperation initiatives.

Some of the strategic interventions which occurred during the reporting period are highlighted below.

During the period 2015-2016, the Commission supported the development of the Territories in several ways. First the Cayman Islands was a beneficiary in the recently completed GIZ Energy Project (October 2014 - September 2016), which focused on promoting energy efficiency and strengthening financing for renewable energy and energy efficiency in the Caribbean. Two visits were made to the country to present the project proposal, and a delegate from the country participated in the Regional

Energy Dialogue and Training Workshop. Subsequently, on 26-27 September 2016, the Project supported the Government of the Cayman Islands by fielding a technical mission to review their draft National Energy Policy.

Second, several Territories benefited from capacity building and sensitization initiatives conducted by the Commission. In 2015, the Territories of Bermuda, Cayman Islands, and Montserrat participated in the Symposium on sustainable development goals for the Caribbean within the Post-2015 development agenda (24-25 June 2015). In 2016, the Territories of the British Virgin Islands, Montserrat and the Turks and Caicos Islands participated in the Caribbean Development Roundtable, which considered the debt overhang, and strategies for balancing adjustment with sustainable development (21 April 2016). Also in 2016, Cayman Islands benefited from training on the use of REDATAM for online dissemination of census data (4-29 April 2016). Finally, as occurred in 2013, several Territories are again expected to actively participate in the 2017 Cycle of the International Comparison Programme⁴ in the Caribbean, which will be launched in Port of Spain on 17 May 2017.

Third, the Territories participated in several inter-governmental meetings, including the Seventeenth meeting of the Monitoring Committee of the Caribbean Development and Cooperation Committee (CDCC) on 26 June 2015⁵, and the Twenty-sixth Session of the CDCC on 22 April 2016⁶.

Fourth, in terms of responding to global mandates, the Cayman Islands and the Turks and Caicos Islands received support from the Commission in 2015, to prepare their National Reviews, on the implementation of the Beijing Declaration and Platform for Action, 20 years after its adoption.

Finally, in the area of the Sustainable Development Goals, the Commission has adopted a strategic and deliberate approach to supporting the Territories in mainstreaming the SDGs into their national development planning processes. For instance, in December 2016, several of the Territories⁷ participated in the “Subregional consultation on the development of a set of core indicators for monitoring implementation of Sustainable Development Goals and the SAMOA Pathway in Caribbean Small Island Developing States.” In February 2017, several Territories⁸ actively participated in the “Caribbean symposium on mainstreaming the Sustainable Development Goals in national development planning.” Also, the Commission recently initiated the GIZ-funded project, “Planning for the implementation of Agenda 2030 for sustainable development in Latin America and the Caribbean,” for which it is

⁴ The International Comparison Program (ICP) is a statistical initiative, which produces internationally comparable price levels, economic aggregates in real terms, and Purchasing Power Parity estimates. Funded by the World Bank, and coordinated by ECLAC, the ICP uses a series of statistical surveys to collect price data for a basket of goods and services.

⁵ Cayman Islands and Montserrat.

⁶ British Virgin Islands, Montserrat and the Turks and Caicos Islands.

⁷ Anguilla, British Virgin Islands, and Turks and Caicos Islands.

⁸ Anguilla, British Virgin Islands, Montserrat, and the United States Virgin Islands.

anticipated that at least one of the Territories would be a direct beneficiary. Finally, simultaneously with this Caribbean Regional Seminar, the Commission is convening a “Workshop to accelerate the sustainable development goals implementation in the Caribbean,” at which several Territories are participating⁹.

Ultimately, the pursuit of CDCC resolution 85(XXV) continues to directly inform the work of Commission with its Associate Members, as it expands the coverage of its interventions, research and flagship publications to include the development experiences of the Non-Self-Governing Territories.

⁹ British Virgin Islands, and Montserrat.