



communiqué

N°: 45
No.:

February 17, 1986.

CARIBCAN

The Right Honourable Joe Clark, Secretary of State for External Affairs, today announced details of the new economic and trade development assistance program for the Commonwealth Caribbean known as Caribcan. Canadian foreign policy has traditionally recognized a 'special relationship' between Canada and the Commonwealth Caribbean as a result of commercial ties which pre-date Canadian Confederation and of our common heritage as members of the Commonwealth. In recognition of this special relationship, Canada will institute Caribcan to provide trade and development assistance to the countries of the Commonwealth Caribbean to help them in meeting their economic development goals.

The main feature of Caribcan is the extension of preferential, one-way duty-free trade, with a limited number of exceptions, to imports from the Commonwealth Caribbean as outlined in the following:

1. Duty-free access to the Canadian market will be provided for 99.8% of current Commonwealth Caribbean imports. Imports from Anguilla, Antigua and Barbuda, Bahamas, Bermuda, Barbados, Belize, British Virgin Islands, Cayman Islands, Dominica, Grenada, Guyana, Jamaica, Montserrat, St. Christopher-Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago, and the Turks and Caicos Islands will be eligible.
2. In addition, duty-free access will cover a wide range of goods which may not currently be exported from, or manufactured in, the Commonwealth Caribbean.
3. Duty-free access will apply to all goods with the exception of products for which it has been determined, following extensive consultations with Canadian industry, that free entry would adversely affect certain sensitive economic sectors in Canada. Therefore textiles, clothing, footwear, luggage, handbags, leather garments, lubricating oils and methanol imports from the Commonwealth Caribbean will continue to be subject to established preferential rates of duty for these products under the General Preferential Tariff or the British Preferential Tariff, where these preferential rates exist.

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