

WHAT'S NEW - DERNIERS DÉVELOPPEMENTS

The Prime Minister will be in Montego Bay, Jamaica, January 18 and 19 to participate in the Canada-Caribbean Community (CARICOM) Heads of Government Meeting or Summit.

BACKGROUND/ASSESSMENT - ÉVALUATION

Canada has always had a special relationship with the countries of the Caribbean. Canadian leaders have a tradition of meeting periodically with Caribbean leaders to discuss issues of common concern. The last formal Canada-CARICOM Heads of Government Meeting took place in Nassau, Bahamas in 1998.

The Caribbean Community and Common Market (CARICOM) was established in 1973 to promote greater unity among countries of the Commonwealth Caribbean. Since then, membership has grown to include non-Commonwealth countries. CARICOM leads and co-ordinates political and economic initiatives. A major objective is to integrate members in a single market and economy by 2001. The CARICOM Secretariat is in Guyana.

Current CARICOM members are Antigua and Barbuda, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago and Montserrat (a U.K. territory- not present at Summit). Haiti's membership is close to being ratified.

Canadian ministers also meet regularly with their CARICOM counterparts, either individually or in a group. Canada's Foreign Minister met with CARICOM foreign ministers in Trinidad in January 2000 and at the Organization of American States General Assembly in Windsor, Ontario, in June 2000. Canada's Trade Minister met with CARICOM trade ministers in Toronto in November 1999 while chairing the Free Trade Area of the Americas (FTAA) Trade Ministers' Meeting. Ministerial visits to and from the Caribbean are frequent.

Nearly 100,000 people from the Caribbean have emigrated to Canada over the past decade, contributing to a West Indian community estimated at 500,000.

CARICOM is Canada's fourth largest trading partner in the hemisphere, after Mexico, Brazil and Venezuela. Annual two-way merchandise trade between Canada and CARICOM countries was more than \$1 billion in 1999, with Canadian exports totalling \$441 million and imports \$621 million.

CARICOM benefits from an economic and trade development assistance program with Canada known as CARIBCAN. The program extends preferential, one-way, duty-free entry to over 95 per cent of the region's exports to Canada, with the exception of textiles, clothing, footwear and agricultural products subject to the application of tariffs under the World Trade Organization. CARIBCAN has been extended until 2007. In 1998, Canada passed legislation expanding the list of products to include methanol, lubricating oils, and travel bags.

Canadian direct investment in the Caribbean totals close to \$25 billion. Canada's investment in CARICOM countries exceeds investment in all other countries except the United States and the United Kingdom. The principal activity is financial services centred in Barbados and Bahamas. Canadian investment in Barbados alone totals \$16.8 billion.

CONSULTATION: LCR, LGDP

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