

Data Sheet

USAID Mission:	Caribbean Regional Program
Program Title:	Open Trade
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	538-009
Status:	Continuing
Planned FY 2006 Obligation:	\$4,891,000 DA; \$990,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2007 Obligation:	\$6,000,000 DA; \$1,000,000 ESF
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2009

Summary: USAID's program intends to help position the Caribbean region to succeed in an open trade environment and, in doing so, to accelerate and sustain economic growth. The geographic scope of this regional activity is the Caribbean Community (CARICOM) member states, with special focus on six of the nine countries of the Organization of Eastern Caribbean States (OECS), namely Dominica, St. Lucia, Antigua and Barbuda, Grenada, St. Kitts, and St. Vincent and the Grenadines. USAID will initially work intensively with two of these countries, Antigua & Barbuda and Dominica to develop successful models that can be replicated in the other countries of the OECS and ultimately CARICOM. USAID's program supports the effective management of natural resources and the integration of disaster risk reduction and mitigation concepts into the region's economic planning and implementation.

Inputs, Outputs, Activities:

FY 2006 Program:

Improve Economic Policy and the Business Environment (\$1,617,000 DA, \$725,000 ESF). USAID's assistance supports the efforts of regional institutions to develop laws, policies and institutions needed for successful implementation of the Caribbean Single Market and Economy (CSME) and compliance with trade agreements. One key tool is to initiate the World Bank's Doing Business surveys in Antigua and Barbuda and Dominica which prioritizes action on legal and regulatory policy changes that are necessary for these countries to be globally and regionally competitive. USAID will also provide expert technical assistance to help the governments of Antigua and Barbuda and Dominica undertake the legal and other modifications needed for successful implementation of the framework for the Caribbean Single Market and Economy (CSME) including compliance with various global trade agreements. USAID is providing capacity building support to increase these countries abilities to participate effectively in trade negotiations, particularly those related to the Free Trade Area of the Americas (FTAA). USAID funds technical assistance to modernize government systems to enable them to support more competitive business activities. There are a range of measures including reform to critical commercial laws, microeconomic reform to improve the business climate, competition policy leading to greater transparency in processes, environmental standards and government service provision in support of businesses. Principal implementers: Chemonics, CARICOM Secretariat, and the Government of Barbados.

Improve Emergency Preparedness and Disaster Mitigation (\$1,220,600 DA). USAID identifies and addresses trade-related environmental issues, as well as disaster risk reduction measures that negatively impact the region's economic viability. USAID supports public-private cooperation to help increase the enforcement of building codes that dramatically reduce damage to physical structures from predictable natural disasters, such as hurricanes and earthquakes. USAID supports the policy dialogue within CARICOM, the OECS, and other key sector stakeholders to make disaster risk reduction a priority with a specific agenda for action. Principal implementer: Chemonics.

Improve Private Sector Competitiveness (\$2,053,400 DA, \$265,000 ESF). USAID's funds are improving the ability of the private sector to develop a more competitive business environment in the region and improve the response of firms to regional and global market demands. The program provides technical assistance for business development to help identify opportunities in new business sectors. This will increase the diversification of exports, enable more competitive industries to emerge, and improve business services. USAID's assistance also supports the review of business activities related to World Cup 2007 Cricket to identify possibilities to leverage opportunities for small business. Principal implementer: Chemonics.

FY 2007 Program:

Improve Economic Policy and the Business Environment (\$2,147,000 DA, \$730,000 ESF). USAID will continue to provide technical assistance to support the region's participation in global trade through targeted help in services as well as linking negotiations with the private sector. USAID assistance will continue to focus on strengthening the dialogue between the public and private sectors on prioritizing and achieving successful actions on initiatives foster private sector competitiveness. In addition, 2007-2008 will be a landmark period for the CSME as the region seeks to strengthen a common market and move to a common economy in 2008. USAID assistance supports the necessary actions of regional institutions to achieve this vision. USAID will continue assistance to support tax and customs reforms in the OECS as well as to the governments of Antigua and Barbuda and Dominica to carry out reforms to support a more competitive business environment. Principal contractors and grantees: Chemonics, CARICOM Secretariat, Government of Barbados; and the Caribbean Regional Technical Assistance Center.

Improve Emergency Preparedness and Disaster Mitigation (\$1,113,000 DA). The activity will continue to support the region's actions on trade-related environment issues and initiatives ensuring that island states are able to better withstand natural disasters. USAID assistance will be provided for activities that support legislation and enforcement of disaster risk reduction measures. Principal contractors and grantees: Chemonics.

Improve Private Sector Competitiveness (\$2,740,000 DA, \$270,000 ESF). USAID's assistance will continue to support the development of the private sector in the OECS with a focus on Antigua and Barbuda and Dominica while at the same time emphasizing diversification and development of business clusters and industries. Business development activities will focus on preparing the region to maximize the economic benefits from hosting the Cricket World Cup in 2007. USAID-funded activities will also improve labor skills in the region by working with the private sector to deliver workforce skills training. USAID activities will ensure that the private sector will have available relevant economic and trade data to make informed business and investment decisions. A limited number of policy studies will identify remaining constraints to the movement of persons, capital, goods and other factors of production across the region. Principal contractor: Chemonics.

Performance and Results: Activities under this program have been delayed as a result of Hurricane Ivan, which devastated the region in September 2004. USAID focused much of its effort on designing, developing and implementing the 12-month, \$42 million hurricane recovery program for Grenada and the eastern Caribbean. However, steps have been taken to operationalize the program and to facilitate a speedy start-up early FY 2006. The implementation contractor will be tasked with rapid scale up of activities to ensure that the program gets back on track.

By the end of the strategy, the Caribbean region will have transitioned to a single market and economy and will be successfully competing in an open trade environment. USAID's activities to support positive economic growth trends will have improve the quality of life for the majority of the population will experience measurable improvements in their quality of life. The vulnerability of the island nations of the OECS to environmental and physical risks will be reduced as disaster risk reduction and mitigation measures take a prominent place in national and regional economic

planning and implementation.

US Financing in Thousands of Dollars

Caribbean Regional Program

538-009 Open Trade	DA	DCA	ESF
Through September 30, 2004			
Obligations	2,243	0	0
Expenditures	0	0	0
Unliquidated	2,243	0	0
Fiscal Year 2005			
Obligations	5,854	155	2,976
Expenditures	1,921	11	0
Through September 30, 2005			
Obligations	8,097	155	2,976
Expenditures	1,921	11	0
Unliquidated	6,176	144	2,976
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2006 NOA			
Obligations	4,891	0	2,970
Total Planned Fiscal Year 2006			
Obligations	4,891	0	2,970
Proposed Fiscal Year 2007 NOA			
Obligations	6,000	0	3,000
Future Obligations	28,336	0	6,054
Est. Total Cost	47,324	155	15,000