

## **CARIFORUM-EU TROIKA SUMMIT**

*Lima, Peru, 17 May 2008*

### **- Joint Communiqué -**

1. The Heads of State and Government of the Caribbean Forum (CARIFORUM) and the European Union (EU) represented by the Troika, held their Third Meeting in Lima, Peru on 17 May 2008, on the occasion of the V Summit of Heads of State and Government of the European Union and Latin America and the Caribbean. They discussed, inter alia, issues relating to CARIFORUM-EU relations, regional integration and intra-CARIFORUM cooperation, implementation of the Economic Partnership Agreement (EPA) between the CARIFORUM States, the European Community and its Member States, energy costs and food prices, economic vulnerabilities, sound management of natural resources including adaptation measures and development co-operation.
2. The CARIFORUM and EU Heads of State and Government exchanged views on progress in regional integration. The EU welcomed also the new impetus given to the CARICOM integration process, through, inter alia, the decisions taken at the 19<sup>th</sup> Inter-Sessional meeting of the Conference of Heads of Government of the Caribbean Community (CARICOM), which was held in Nassau, The Bahamas on 7 – 8 March 2008, which seek to extend the benefits accruing to the region's people from the integration movement, including the operationalization of the CARICOM Development Fund.
3. The Heads of State and Government welcomed the successful conclusion of the Economic Partnership Agreement negotiations in December 2007 and confirmed their commitment to co-operate towards the successful implementation of the Agreement.
4. The Heads of State and Government agreed that the focus of co-operation under the 10<sup>th</sup> EDF Caribbean Regional Indicative Programme (CRIP) of €165M should be support for the EPA implementation, regional integration and intra-CARIFORUM cooperation. In that regard, they issued a Joint Statement highlighting the principal elements of EU-CARIFORUM Partnership.
5. The EU leaders expressed solidarity with the efforts of CARIFORUM to address the challenges that the rising cost of food and energy pose to the livelihood of citizens of the region. The EU and CARIFORUM leaders agreed on the urgent need to enhance CARIFORUM's capacity and to develop policies for managing key threats to food security including the strengthening of domestic food supply networks, marketing systems and enterprises. Both sides agreed to engage in renewed dialogue on these issues and explore avenues for enhanced collaboration within the framework of new and existing mechanisms for cooperation, including the appointment of a Joint Task Force. The Task Force would address immediate, medium and long term issues of climate change, energy and food security and agricultural productivity and diversification, with a view to ameliorate the problems in CARIFORUM states and to contribute to their sustainable development.

6. The CARIFORUM Heads of State and Government welcomed the EU's reaffirmed commitment to work together with the Caribbean States to tackle the specific challenges they face and they welcomed the finalisation of the programming exercise for the 10<sup>th</sup> EDF under which some €737M of programmable funds have been made available for national programmes, aimed at reducing poverty, supporting regional integration and cooperation and addressing the specific vulnerabilities of the countries.
7. The Heads of State and Government recalled the high degree of vulnerability of the wider Caribbean Basin to natural disasters, the increased occurrence and severity of these phenomena as well as the fact that the Caribbean has been internationally regarded as being among those suffering most from the impact of climate change. In this context, CARIFORUM Heads of State and Government welcomed the various activities launched recently under the 9<sup>th</sup> EDF in the area of natural and man-made disasters, including a contribution to the Caribbean Catastrophe Risk Insurance Facility (CCRIF), support to the Caribbean Disaster Emergency Response Agency (CDERA) and the creation of a €22m standby facility on disaster preparedness and rehabilitation. The Parties welcomed the discussions on the new ACP/EU Natural Disaster Facility under the 10<sup>th</sup> EDF and agreed on the need to ensure its prompt implementation, building on the experience gained under the 9<sup>th</sup> EDF.
8. The Heads of State and Government welcomed the recent EU Global Climate Change Alliance (GCCA) with developing countries, which is designed to help Least Developed Countries (LDCs) and Small Island Developing States (SIDS) in particular to increase their capacity to adapt to climate change and pursue sustainable development strategies. In this respect, they noted that the GCCA will provide a platform for dialogue and exchange as well as practical cooperation in support of the international negotiations on an ambitious post-2012 climate change agreement and of effective measures at national and regional level. They adopted a CARIFORUM-EU Declaration on the Global Climate Change Alliance and underlined its significance for the Caribbean region.
9. The Heads of State and Government commended the progress made by the Haitian authorities towards democracy and stabilisation of the macro-economic framework. They welcomed Haiti's deeper involvement in the regional integration movement including through its ratification of the Revised Treaty of Chaguaramas as well as its accession to the Rio Group. In addition, Heads of State and Government renewed the call for the continued support of the international community to Haiti.
10. The Heads of State and Government acknowledged that common regional institutions are a prerequisite for the continued deepening of regional cooperation as well as increasing cohesion, cooperation and understanding in the Region. CARIFORUM Heads of State and Government welcomed EU support to regional institutions including the recently established Caribbean Regional Information and Translation Institute (CRITI) in the Republic of Suriname.
11. The Heads of State and Government underlined the benefit of a continuous and constructive dialogue between the two regions and agreed to hold their next meeting on the occasion of the VI Summit of Heads of State and Government of the European Union and Latin America and the Caribbean in Spain in 2010.

## **JOINT STATEMENT ON CARIFORUM-EU PARTNERSHIP**

### ***POLICY FRAMEWORK***

1. The Heads of State and Government of the Caribbean Forum (CARIFORUM) and the European Union (EU) represented by the Troika met in Lima, Peru on 17 May 2008 for discussions on regional cooperation in the Caribbean and more particularly the programming of the 10<sup>th</sup> EDF Caribbean Regional Programme.
2. The Heads of State and Government discussed the regional integration and cooperation processes in the Caribbean region and acknowledged the substantial achievements to date as well as future steps. Their discussions covered the different levels of regional integration and cooperation in the Caribbean, particularly amongst the OECS, CARICOM and CARIFORUM countries, Haiti – Dominican Republic and ACP/DOM/OCT cooperation. They also discussed broader cooperation in the Caribbean and Latin American context.
3. The discussions took place against the background of Caribbean and European policy documents including the Revised Treaty of Chaguaramas, the OECS Treaty of Basseterre, the European Consensus, the EU-Caribbean Strategy and the Economic Partnership Agreement between the CARIFORUM States, the European Community and its Member States (EPA) and its Joint Declaration on Development Cooperation.
4. The Heads of State and Government agreed on the importance of establishing mechanisms for a structured and comprehensive political dialogue in order to further strengthen their relationship.
5. They also took stock of the future prospects for regional integration and cooperation in CARIFORUM as well as the probable impact of the Economic Partnership Agreement on these processes and the related commitments in terms of trade and development cooperation.

### ***CARIFORUM VULNERABILITIES AND CHALLENGES***

6. The Heads of State and Government considered the current situation in the Caribbean, its special characteristics, economic challenges and vulnerabilities including those related to rising costs of food and energy, environment, climate change and natural disasters and crime and security issues.

7. They considered the region's essential need for human resource development, to counter the effects of migration, to meet the growing demands of economic diversification and to build capacity both in the private and public sectors. The Parties recognised the importance of interconnection and the related issues of air and maritime transport infrastructure for the sustainable economic development of the region.

#### ***EU-CARIFORUM DEVELOPMENT FINANCE COOPERATION***

8. The Heads of State and Government analysed the situation in the region, and took note of the allocation of the €165 million for the 10<sup>th</sup> EDF Caribbean Regional Programme for the period 2008-2013. The Parties also agreed to work together towards attracting additional resources to the Region from EU Member States under their respective national cooperation programmes and Aid for Trade (AfT) funding and from other development partners, including those active in the Caribbean. The Parties acknowledged that aid coordination in line with the Paris Declaration on Aid Effectiveness and regional ownership is crucial to the successful management of the funds that accrue to the region and agreed that the Caribbean region will take the initiative to effect such coordination and that the EC will support these efforts.
9. Recognising that efficient use of funds also entails timely mobilization, the Heads of State and Government agreed to work together to achieve optimal disbursement rates, through the adoption of innovative and flexible implementation mechanisms. They also agreed to consider the best ways of establishing the regional development fund referred to in the EPA Joint Declaration on Development Cooperation, by the nearest possible date, as an effective channel for aid disbursement.

#### ***INFRASTRUCTURE AND PRIVATE SECTOR DEVELOPMENT***

10. Recognising the importance of infrastructure and particularly interconnection infrastructure to regional integration and the economic development of the region the Parties agreed to work together towards establishing an infrastructure fund in which the EC will participate and will also explore the possible involvement of the European Investment Bank, EU Member States, other development partners and international financial institutions.
11. The Parties also recognised the critical importance of the private sector contributions and private sector development for achieving the development objectives of the region.

## **10<sup>TH</sup> EDF CARIBBEAN REGIONAL INDICATIVE PROGRAMME**

12. The Parties agreed, in principle, that the 10<sup>th</sup> EDF Caribbean Regional Programme would be programmed along the following lines.

**Focal Area: Regional Economic Integration/Cooperation and EPA priority areas including Capacity Building (approximately 85-90% of €165 million)**

- a) CARICOM Integration
  - Supporting the process of CARICOM integration including the establishment of a Single Market Economy (CSME), an area of free circulation of goods, services, people and capital;
- b) OECS Economic Union
  - Supporting and deepening of OECS integration and support for OECS integration into the CSME
- c) Strengthening Intra-CARIFORUM Regional Co-operation
  - Focusing on Dominican Republic/Haiti Bi-lateral Cooperation
  - Supporting closer cooperation between CARICOM and the Dominican Republic
- d) Investing in Human Capital

Preparing the people and institutions of CARIFORUM to respond to the challenges posed by global trade and economic realities including the CARIFORUM-EU EPA, in partnership with Caribbean centres of excellence, such as regional universities.
- e) EPA implementation

Supporting priority EPA implementation and accompanying measures at the OECS, CARICOM and CARIFORUM levels.
- f) Integration and cooperation in the wider Caribbean

Supporting CARIFORUM/DOM/OCT integration and cooperation;  
Supporting CARIFORUM-cooperation with Latin American Caribbean countries and sub-regional institutions or integration processes.

**Non-Focal Area: Addressing vulnerabilities and social issues (approximately 10 -15% of €165 million).**

- (g) Crime and Security Cooperation;  
Supporting regional security cooperation structures building on the CARICOM Action Plan and foster all-CARIFORUM cooperation in the fight against illicit drugs and related crimes;
- (h) Civil Society participation  
- Promoting stakeholder ownership and participation in the development, integration and cooperation processes in the region.
- (i) Institutional support / programme implementation

### ***CONCLUSION***

The Heads of State and Government instructed the European Commission and CARIFORUM Secretariat to finalise the 10<sup>th</sup> EDF Caribbean Regional Indicative Programme for urgent commencement of implementation.

## **CARIFORUM –EU DECLARATION ON CLIMATE CHANGE AND ENERGY**

### ***BACKGROUND***

1. The Heads of State and Government of the Caribbean Forum (CARIFORUM) and the European Union (EU), represented by the Troika, exchanged views on climate change, energy and food security at their meeting in Lima, Peru on 17 May 2008.
2. They noted that the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol, measures for adaptation to climate change provided for under the Nairobi Work Programme, the Barbados Programme of Action for the Sustainable Development of Small Islands Developing States (BPoA), the Mauritius Strategy as well as the outcomes of other relevant United Nations conferences and summits, represent the main framework for addressing global warming, climate change and sea level rise, which impact on the sustainable development of Small Island and Low-lying Coastal Developing States (SIDS). They further noted that the Global Climate Change Alliance (GCCA) is designed to complement these key instruments, to which all CARIFORUM and EU states are Party.
3. The Heads of State and Government recalled that the GCCA is a mechanism for improving political dialogue and promoting the exchange of experiences between the European Union and developing countries most vulnerable to climate change on the integration of climate change issues into development policies and strategies. The results of the GCCA dialogue will feed into the discussions for an appropriate post 2012 multilateral framework agreement on climate change under the (UNFCCC).
4. The Heads affirmed the intent of the GCCA to ensure that poor developing countries increase their capacities to adapt to the negative effects of climate change in their pursuit of sustainable development, including the provision of concrete support for adaptation and mitigation measures in particular, as an integral element of poverty reduction strategies.
5. The Heads of State and Government affirmed the outcome of the United Nations Climate Change Conference held in Bali in December 2007 as a major step in the global fight against climate change and noted that the international community now has the major task of formulating an effective, comprehensive and global agreement on a future framework for a post 2012 climate change agreement before the end of 2009. They welcomed in particular, the Bali Action Plan and the decision to finalize the operational details of the Adaptation Fund without delay, in light of the role that the Adaptation Fund will play in financing concrete adaptation projects in developing countries.

6. Considering that unprecedented finance and investments will have to be mobilised to meet the current and future challenges of both mitigation and adaptation and the needs of developing countries in this respect, they agreed to seek to mobilize all possible resources to further the implementation of the Barbados Plan of Action, the Mauritius Strategy for Implementation and the Caribbean Regional Strategy on Climate Change and other relevant programmes in the Caribbean region .
7. The Heads of State and Government, emphasised that emission reductions will have to be far more ambitious than in the framework of the Kyoto Protocol in order to limit global warming to 2° C. They also highlighted the global nature of the problem and hence the importance of agreeing on deeper absolute emission reduction commitments by developed countries and of facilitating further fair and effective, nationally appropriate mitigation actions by all major emitters of greenhouse gases.
8. Recalling the provision of Article 32 of the Cotonou Agreement regarding ACP-EU cooperation on environmental protection and the sustainable utilization of natural resources and the Joint ACP-EU Declaration on Climate Change and Development adopted in Port Moresby in June 2006, the Heads of State and Government underscored that climate change should, given its critical importance, be mainstreamed in development cooperation and support programmes and projects, within the context of the ACP-EU Partnership.

### ***CARIBBEAN POLICY***

9. The Heads of State and Government acknowledged that climate change is an important developmental issue for Caribbean States that needs to be addressed within the broader perspective of poverty reduction, energy, food security and sustainable development.
10. They also commended the commitment of Caribbean states to the wider 2002 Latin American and Caribbean regional initiative for Sustainable Development<sup>1</sup> which emphasised that timely action be taken to reduce the impact of climate change through the implementation of effective mitigation and adaptation measures.
11. The Heads of State and Government also commended the various initiatives taken by the Caribbean Disaster Emergency Response Agency (CDERA) to address the challenges of climate change and link disaster preparedness activities with adaptation needs, including the development of a Comprehensive Disaster Management Strategy.
12. They further acknowledged the significant achievements of the Caribbean Community Climate Change Centre (CCCCC) in building regional capacity to cope with the challenges to regional sustainable development.

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<sup>1</sup> Adopted at the first special meeting of the Forum of Ministers of the Environment of Latin America and the Caribbean, held in Johannesburg, South Africa, in August 2002

## ***EU POLICY***

13. Heads of State and Government welcomed the EU's recent climate change and energy related policy initiatives, highlighting the need for absolute emission reduction commitments and reflecting that developed countries should continue to take the lead by committing to collectively reducing their emissions of greenhouse gases in the order of 30% by 2020 compared to 1990 with a view to collectively reducing their emissions by 60 to 80% by 2050 compared to 1990;
14. They took note the EU's commitment to a reduction of 30% of greenhouse gas emissions by 2020 compared to 1990 as its contribution to a global and comprehensive agreement for the period beyond 2012, provided that other developed countries commit themselves to comparable emission reductions and economically more advanced developing countries adequately contribute according to their responsibilities and respective capabilities;
15. Heads of State and Government also took note of the EU's decision, until a global and comprehensive post-2012 agreement is concluded, to make a firm independent commitment to achieve at least a 20% reduction of greenhouse gas emissions by 2020 compared to 1990;
16. They also commended the adoption of a comprehensive EU energy Action Plan for the period 2007-2009 setting highly ambitious quantified targets on energy efficiency, and all forms renewable energies.

## ***JOINT CARIFORUM-EU ACTION***

17. The Heads of State and Government of CARIFORUM and the EU affirmed the need to take urgent action to address the issues of climate change, energy and food security.
18. Both sides also agreed to work together to mobilise political support for stronger action on climate change and to examine how the international framework could facilitate such action. This action should be guided by a shared vision for long term cooperative efforts and should include perspectives on low-carbon development, climate-safe paths and reduced climate vulnerabilities.
19. The Heads of State and Government therefore affirmed their commitment to work together to:
  - enhance cooperation in international negotiations and strengthen efforts by all Parties to address climate change, energy and food security including through regular consultations, joint initiatives and leadership in their respective regions;
  - cooperate towards the successful conclusion of a post-2012 agreement under the UNFCCC and its Kyoto Protocol and in the implementation of their respective commitments (still to be negotiated).

20. The Heads of State and Government of CARIFORUM welcomed the European Union's intention to assist and support the Caribbean region in its adaptation and mitigation efforts, through the Global Climate Change Alliance, and other appropriate instruments. They also urged that priority attention be given to implementation of energy and food security programmes through instruments such as "Intra ACP" cooperation under the 10<sup>th</sup> European Development Fund.
21. Recalling those commitments, CARIFORUM and the EU jointly identified, inter alia, the following immediate priorities for action:
- a) Support for the implementation of the Caribbean Regional Climate Change Strategy
  - b) Development of a comprehensive inventory and valuation of existing critical facilities to assess the vulnerability of key infrastructure and economic sectors to climate change, particularly in the agriculture, biodiversity, forestry, fisheries, tourism, health and water resources management sectors;
  - c) Improved management of the region's natural resources, by way of the creation of an enabling environment for the sustainable development of agricultural productivity and the promotion of agricultural diversification.
22. The Heads of State and Government of CARIFORUM and the EU have therefore agreed to appoint a joint CARIFORUM-EU technical group at the regional level to ensure appropriate follow-up action to this Declaration. The technical group will translate the above immediate priorities for joint action into meaningful concrete activities that will be part of the GCCA support framework, to be included in the EU/LDC and SIDS GCCA Joint Declaration on Climate Change, for consideration by the Parties' Development/Finance Ministers at their meeting in Poznan in December 2008 during UNFCCC Conference of Parties -14.