

C A R I F T A

S U P L E M E N T A R Y A G R E E M E N T

Under Article 31(3) of the Agreement for the
establishment of the Caribbean Free Trade
Association signed at Dickenson Bay, Antigua,
on 15th December, 1965.

Supplementary Agreement under Article 31(3) of the Agreement for the Establishment of the Caribbean Free Trade Association Signed at Dickenson Bay, Antigua, on 15th December, 1965.

WHEREAS an Agreement (hereinafter referred to as the "Principal Agreement") for the establishment of a Caribbean Free Trade Area was signed at Dickenson Bay, Antigua, on behalf of the Governments of Antigua, Barbados and British Guiana on the 15th December, 1965;

AND WHEREAS it is provided by paragraph 3 of Article 31 of the Principal Agreement that, in the event of the notification of difficulties in relation to carrying into effect any provision thereof to the Government of Antigua by any Signatory Territory prior to its ratification thereof, the Principal Agreement shall not take effect with respect to that Territory except in accordance with a supplementary agreement between all the Signatory Territories providing for the resolution of such difficulties;

AND WHEREAS a Supplementary Agreement required to be read and construed as one with the Principal Agreement has been signed on behalf of the Governments of Antigua, Barbados and Guyana in keeping with the provisions of paragraph 3 of Article 31 of the Principal Agreement;

AND WHEREAS Guyana has not yet ratified the Principal Agreement and, acting under the provisions of paragraph 3 of Article 31 thereof, has notified the Government of Antigua that certain difficulties have arisen in relation to carrying the Principal Agreement into effect in view of an undertaking given by the Signatories of the Principal Agreement, at the Fourth Conference of Heads of Government of Commonwealth Caribbean Countries, to conclude a further

supplementary agreement on terms approved by post-Conference machinery to give effect to the resolutions adopted at the said Conference for the establishment of a wider Caribbean Free Trade Area;

AND WHEREAS it was so resolved at the said Conference that the Governments of the Commonwealth Caribbean Countries should approach the task of freeing trade by using the Principal Agreement as a basis with suitable modifications;

Para 4, page 1,
Summary Record
of 2nd Plenary.

AND WHEREAS the terms of the further supplementary agreement to be concluded for the purpose of effecting such suitable modifications to the Principal Agreement as aforesaid have been approved by the post-Conference machinery hereinbefore mentioned;

AND WHEREAS the Governments of Antigua, Barbados and Guyana are desirous of hereby concluding in conformity with the abovementioned provisions of the Principal Agreement such further supplementary agreement for its suitable modification, and thereby providing for the resolution of the difficulties which have arisen, as aforesaid:

Para 14, page 4,
Summary Record
of 2nd Plenary.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE GOVERNMENTS OF ANTIGUA, BARBADOS AND GUYANA as follows:-

ARTICLE 1

Substitution of new Preamble to Principal Agreement.

All the words appearing in the Principal Agreement before Article 1 thereof are hereby deleted and the following substituted therefor -

"THE GOVERNMENTS OF THE SIGNATORY TERRITORIES -
SHARING a common determination to fulfil within the shortest possible time the hopes and aspirations of the peoples of the Caribbean Territories for full employment and improved living standards;

CONSCIOUS that these goals can most rapidly be attained by the optimum use of available human and other resources and by accelerated, co-ordinated and sustained economic development;
AWARE that the broadening of domestic markets through the elimination of barriers to trade between the Territories is a pre-requisite to such development;
CONVINCED that such elimination of barriers to trade can best be achieved by the immediate establishment of a free trade area which will contribute to the ultimate creation of a viable economic community of Caribbean Territories;
MINDFUL of the different levels of development attained by the Territories of the Caribbean;
HAVE AGREED as follows: "

ARTICLE 2

Amendment of Provisions of Principal Agreement.

There are hereby made, to the provisions of the Principal Agreement referred to in the first column of the First Schedule hereto, the amendments specified opposite such references, respectively, in the second column of the said Schedule.

ARTICLE 3

Substitution of new Article 25 of Principal Agreement.

Article 25 of the Principal Agreement is hereby deleted and the following substituted therefor -

" ARTICLE 25

Invisibles.

The Council shall as soon as practicable, having due regard to international obligations, decide the

Para 16, page 4,
Summary Record of
2nd Plenary.

transfers amongst Member Territories with a view
to promoting the objectives of this Agreement."

ARTICLE 4

Insertion of new Articles 38 and 39 in Principal Agreement.

The following Articles are hereby inserted in the
Principal Agreement after Article 37 thereof -

" ARTICLE 38

Protection of Guyanese petroleum products.

1. Notwithstanding anything in this Agreement,
any quantitative restriction within the meaning of
Article 13 may, during any period for which the
Government of Guyana is a party to any protective
agreement in that behalf relating to a petroleum
product produced in Guyana, be applied on imports
into Guyana of that petroleum product from any
other part of the Area:

Provided that no such restriction shall be so
applied on imports of any petroleum product, other
than Bunker C, asphalt or road oil, during any year
except with a view to preventing the importation of
that petroleum product into Guyana to any extent in
excess of -

- (a) one third of such amount of that petroleum
product as is reasonably considered by the
Government of Guyana to be marketable in
Guyana during such year; or
- (b) the difference between such amount of that
petroleum product as is reasonably considered
by the Government of Guyana to be marketable
in Guyana during such year and any lesser
amount of that petroleum product which is
reasonably considered by the said Government
to be producible in Guyana during such year,

2. During any period first hereinbefore in this Article referred to in connection with a petroleum product produced in Guyana, customs duties shall, at rates not lower than those in force when this Agreement takes effect, be applicable to any permitted imports into Guyana of that petroleum product from outside the Area.

3. Not later than -

- (a) the commencement, during any year, of any period mentioned in paragraph 2 of this Article;
- (b) the commencement, during any such period, of any year,

Guyana shall notify to the Council the amounts mentioned in paragraph (b) of the proviso to paragraph 1 of this Article in relation to that year and shall, at the request of any Member Territory, inform the Council in strictest confidence of the reasons of the Government of Guyana for arriving at such amounts.

4. In this Article, "that petroleum product" includes any like or substitutable petroleum product.

5. This Article shall not have effect for longer than 15 years from the commencement of a period mentioned in paragraph 2 of this Article.

ARTICLE 39

Promotion of Industrial Development in less-developed Territories.

Upon any application made in that behalf by the less-developed Territories as defined in Annex B, the Council may, if necessary as a temporary measure in order to promote the development of an industry in any of those Territories, authorise by majority decision such Territories to suspend Area tariff treatment of any description of

in the other Member Territories, any of whom may, during the period for which such authorisation is in force, suspend Area tariff treatment of the like description of imports eligible therefor on grounds of production in the less-developed Territories."

ARTICLE 5

Variation of Annexes to Principal Agreement.

The Principal Agreement is hereby amended -

- (a) by deleting Annex C and substituting for the letter "B", in the caption to Annex B, the letter "C";
- (b) by deleting from the Basic Materials List, which forms the Schedule to the last-mentioned Annex, the items set out in Part I of the Second Schedule hereto, and by inserting the word "Ex" immediately before the following item numbers in that List, that is to say, 291-09, 312-01, 511-09, , 655-06 (wherever it appears), 699-05 and 699-06;
- (c) by substituting for every such classification of materials as appears in the said Basic Materials List against any item number mentioned in the first column of Part II of the Second Schedule hereto the classification set out opposite in the second column of that Part;
- (d) by substituting for Annex A and Annex D the annexes set out in the Third Schedule and the Fourth Schedule hereto, respectively, and inserting (with appropriate caption) as Annex A to the Principal Agreement the Resolution set out in the Fifth Schedule hereto;

Para. 32, page 9,
Summary Record
of 3rd Plenary.

(e) by substituting for the letter "E" in the caption to Annex E the letter "F" and inserting as Annex E to the Principal Agreement the annex set out in the Sixth Schedule hereto.

ARTICLE 6

Schedules.

The Schedules to this Agreement are an integral part of this Agreement.

ARTICLE 7

Rescission of previous Supplementary Agreement.

The Supplementary Agreement heretofore made between the Parties to this Agreement and required to be read and construed as one with the Principal Agreement is hereby rescinded.

ARTICLE 8

Construction of this Agreement.

Para 18, page 4,
Summary Record
of 2nd Plenary.

This Agreement shall be read and construed as one with the Principal Agreement.

IN WITNESS whereof the undersigned, duly authorised, have signed the present Agreement for the Governments of Antigua, Barbados and Guyana.

DONE in a single copy which shall be deposited with the Government of Antigua by which certified copies shall be transmitted to all other Signatory and participating Territories.

Signed by

for the Government of Antigua on the
day of , 1968, at

Signed by

for the Government of Barbados on the
day of , 1968, at

Signed by

for the Government of Guyana on the
day of , 1968, at

First ColumnSecond Column

Article 1

(i) Delete the words and figures "or paragraphs 1 and 3".

(ii) Insert immediately after the figures "32" the word 'and, for the purposes hereof, "Territories" includes sovereign states internationally recognised'

Para 5, page 1,
Summary Record
of 2nd Plenary.

(iii) Substitute for the words "the Council may set up" the words "are mentioned in paragraph 3 of Article 28".

Article 2

(i) Substitute for paragraph (c) the following -

"(c) to encourage the balanced and progressive development of the economies of the Area in keeping with paragraphs 3 to 10 of the Resolution adopted at the Fourth Conference of the Heads of Government of Commonwealth Caribbean Countries and set out in Annex A;"

(ii) Substitute for the full stop at the end of paragraph (d) a semicolon and add the following paragraph -

"(e) to ensure that the benefits of free trade are equitably distributed among the Member Territories."

Article 3

(i) Insert the figure "1" and a full stop before the word "The".

Para 32, page 7,
Summary Record of
6th Plenary, but
as clarified by
reference to
verbatim Record.

- (ii) Substitute for the words "it is signed" the words "the effective date hereof and notified to the Council".
- (iii) Substitute for the full stop at the end of the proviso a colon and add the following proviso -
- "Provided further that, in case of any non-observance of any provisions of this Agreement on the part of a Member Territory pursuant to its exemption in that behalf by virtue of the foregoing provisions of this Article, any other Member Territory which considers that it would enjoy any benefit under this Agreement but for such exemption may, if no satisfactory settlement is reached between the Member Territories concerned, refer the matter to the Council, which may, by majority decision, authorise any Member Territory to suspend to the first-mentioned Member Territory the application of such obligations under this Agreement as the Council considers meet, due regard being had to the report of such committee (if any) as may have been constituted in accordance with Article 27 to examine the matter, and paragraphs 2 and 5 of Article 26 shall apply mutatis mutandis in the case of any reference under this proviso as they apply in the case of a reference under paragraph 1 of Article 26."
- (iv) Add the following as paragraphs 2, 3 and 4 of Article 3 -

'2. All such agreements shall be registered in such form as the Council shall decide and by way of such service in that behalf as shall be arranged pursuant to sub-paragraph (b) of paragraph 1 of Article 29.

3. The Council shall annually review the observance by Parties to this Agreement of the first proviso to paragraph 1 of this Article and may from time to time, by majority vote, recommend to any of them the taking of any steps for the purposes of that proviso.

4. For the purposes of this Article, "agreements" means any agreements concluded by instruments, or any arrangements made in writing which the Council decides, by majority vote, constitute agreements for those purposes, but does not include any agreement or arrangements entered into by a Party hereto, not being the Government of Grenada, in respect of which negotiations commenced after the 22nd February, 1968.'

Para. 32, page 7,
Summary Record of
6th Plenary but
as clarified by
reference to
verbatim Record.

Article 4

- (i) Substitute for the letter "A", wherever it appears after the word "Annex", the letter "B".
- (ii) Substitute for the full stop at the end of paragraph 3 a semicolon and add to that paragraph the words "and nothing in paragraph 2 of this Article shall be construed to exclude from the application of paragraph 1 of this Article any tax or surtax of customs on any product neither the like of which, nor a competitive substitute for which, is produced in the importing Member Territory,

or to extend such application to non-discriminatory internal charges on any such product."

- (iii) Add the following as paragraph 4 of Article 4 -

'4. For the purposes of paragraph 3 of this Article -

- (a) "non-discriminatory" means non-discriminatory as between goods eligible for Area tariff treatment as aforesaid and goods not so eligible;
- (b) a charge shall not be deemed other than internal by reason only that it is collected at the time and place of importation.'

Article 5

- (i) Substitute for the letter "B", wherever it appears after the word "Annex", the letter "C".

- (ii) Add the following paragraph -

'7. Nothing in this Agreement shall require a Member Territory to accept as eligible for Area tariff treatment any imports consigned from another Member Territory and consisting of, or manufactured from, oils and fats as defined by clause 2 of the Oils and Fats Agreement, or any of such oils or fats, where the Government of one of such Territories is a party to the Oils and Fats Agreement, and the Government of the other of such Territories is not a party to that Agreement, being the Agreement made on the 26th January, 1967, between the Governments of Barbados, Dominica,

and Trinidad and Tobago or any Agreement amending or replacing the same."

Article 7 Substitute for the letter "C", wherever it appears after the word "Annex", the letter "D".

Article 8 Substitute for the letter "B" after the word "Annex" in sub-paragraph (d) the letter "C".

Article 9 Add the following paragraphs -

Para 32, pages 8 to 9, Summary Record of 3rd Plenary.

"4. Nothing in this Article shall preclude a Member Territory from applying to any commodity listed in Annex E, within ten years from the effective date of this Agreement, export duty not exceeding that applicable by the Member Territory to such commodity immediately before the effective date of this Agreement.

5. Any Member Territory which, pursuant to paragraph 4 of this Article, applies or continues to apply export duty to any commodity listed in Annex E shall notify the Council of every commodity on which export duty is applied and the rate of such duty. The Council shall keep under review the question of such export duties and may at any time by majority vote make recommendations designed to moderate any damaging effect of those duties."

Para. 43, page 8 Summary Record of 4th Plenary

Article 10 Substitute for the letters and word "A, B and C" the letters and word "B, C and D".

Article 13 (i) Substitute for the words "the provisions of Annex D" in paragraph 1 the words "anything to the contrary in any agricultural marketing arrangements made pursuant to paragraph 6 of Annex A and laid down in

a Protocol between the Parties to this Agreement"

(ii) Delete the words "and Annex D" in paragraph 2.

Article 14,
paragraph 1

Substitute for the word "A" the words "Subject as mentioned in paragraph 1 of Article 13, a".

Article 17

(i) Substitute for the letter "E", wherever it appears after the word "Annex", the letter "F".

Para 32, page 9,
Summary Record
of 3rd Plenary.

(ii) Add the following paragraph -

"4. The provisions of this Article -

(a) shall not apply in respect of inter-territorial trade within the Area in any agricultural products until such time as Member Territories shall agree upon the regional policy with respect to the production and marketing, including the subsidization, of agricultural products;

(b) exclusive of sub-paragraph (a) of paragraph 1 and paragraph 3, shall not apply in respect of inter-territorial trade within the Area in any manufactured goods until Member Territories have agreed upon a regional policy with respect to incentives to industry."

Para 6, page 1,
Summary Record
of 4th Plenary.

Article 18

Add the following paragraph -

"4. The provisions of this Article shall not apply in respect of inter-territorial

Para 6, page 1,
Summary Record
of 4th Plenary

(a) in agricultural products until such time as Member Territories shall agree upon a regional policy with respect to the production and marketing, including the subsidization, of agricultural products;

(b) in manufactured goods until Member Territories have agreed upon a regional policy with respect to incentives to industry."

Article 19,
paragraph 3

Substitute for the ordinal, word and figures "31st December, 1967" in sub-paragraph (a) the ordinal, word and figures "30th April, 1970".

Article 20,
paragraph 4

Substitute for the ordinal, word and figures "31st December, 1967" the ordinal, word and figures "30th April, 1970".

Article 22

- (i) Substitute for the ordinal, word and figures "31st December, 1970" in paragraph 4 the ordinal, word and figures "30th April, 1973".
- (ii) Substitute for the ordinal, word and figures "1st January, 1971" in paragraph 5 the ordinal, word and figures "1st May, 1973".

Article 23

- (i) Substitute for the full stop at the end of paragraph 1 a colon and add to that paragraph the following proviso -

"Provided that, in resolving any question whether any breach by a Member Territory of its obligations for the purposes of this Article is to be apprehended or has resulted from the introduction or extension of any incentive provisions,

the Council shall take into account the overall level and structure of taxation and the general economic circumstances in that Member Territory as compared with other Member Territories."

- (ii) Renumber paragraphs 2, 3, 4 and 5 as paragraphs 3, 4, 5 and 6, respectively, and insert the following as paragraph 2 -

"2. The Council may, by majority decision, authorise any Member Territory to withhold, from imports of any products in relation to the manufacture of which it has been established to the satisfaction of a majority of the Council that any such breach by another Member Territory has resulted as aforesaid, treatment the benefit whereof is applicable in conformity with any provisions of this Agreement to such imports."

Article 28

- (i) Substitute for paragraph 3 the following -

"3. The Commonwealth Caribbean Regional Secretariat shall be the principal administrative organ of the Association and the Council may entrust it, and may set up other organs, committees and bodies and entrust them, with such functions as the Council considers necessary to assist it in accomplishing its tasks. Decisions of the Council pursuant to this paragraph shall be made by majority vote."

- (ii) Substitute for all the words appearing in paragraph 5 after the words "negative vote." the words "A decision or recommendation

Paras 13 and 33,
pages 3 and 9 to
10, Summary Record
of 3rd Plenary.

as aforesaid requires the affirmative votes of not less than two-thirds of all Member Territories, and reference in any such provision to a majority shall, in relation to the Council, be construed accordingly".

(iii) Add the following paragraph -

"6. The Council may, by its decision to confer any authority under this Agreement, impose conditions to which such authority shall be subject."

Article 29,
paragraph 2

Substitute for the words "equally between Member Territories" the words "between Member Territories in conformity with the appropriate basis of Territorial contributions to the annual budget of the Commonwealth Caribbean Regional Secretariat, approved at the Conference of Ministers of Trade held in Guyana on 21st and 22nd February, 1968, or in such other manner as the Council may decide".

Paras 7 and 8,
page 2, Summary
Record of 4th
Plenary.

Article 31

(i) Insert after the words "as soon as" in paragraph 2 the words "the number of Signatory Territories has been ascertained consistently with paragraphs 4 and 5 of this Article and".

(ii) Add the following paragraphs-

"4. Any Commonwealth Caribbean Country by whose Government an instrument signifying its endorsement of the Resolution set out in Annex A has been deposited with the Government of Antigua shall be deemed for the purposes of this Agreement to be

a Signatory Territory as from the date of such deposit, which shall be notified to the other Signatory Territories by the Government of Antigua.

5. Notwithstanding anything to the contrary in this Agreement, the preceding paragraph shall not apply on or after the 1st May, 1968, to a Commonwealth Caribbean Country unless, before that date, there has been deposited an instrument signifying ratification by its Legislature of this Agreement, pursuant to the deposit by its Government of an instrument of endorsement, in accordance with this Article."

Article 32

- (i) Insert before the word "seek" in paragraph 2 the words ", pursuant to any decision thereof in that behalf,".
- (ii) Delete paragraph 3.

PART I

	081-02	Follard, sharps.
	251-01	Waste paper and old paper.
	272-05	Salt, coarse and rock.
	272-11	Gypsum and plasters.
	282-01	Iron and steel scrap.
	511-01	Sulphuric acid.
Para. 9, page 3, Summary Record of 5th Plenary.	512-09	Saccharine to be used for medicinal purposes only.
	655	Special textile fabrics.
	655-02	Hat bodies of wool felt and fur felt.

PART II

	<u>Column I</u>	<u>Column II</u>
	072-01	Cocoa beans (except flavoured cocoa).
- do -	075-01	Pepper (except sweet pepper, unground) and pimento whether unground, ground or otherwise prepared.
	075-02	Spices other than ginger, cinnamon, nutmeg and mace.
- do -	292-02	Natural gums, resins, balsam and lacs.
	551-01	Essential vegetable oils (except lime, bay, pimento, nutmeg and orange oils).
- do -	611	Leather with the exception of sole leather.
	653	Textile fabrics, other than cotton fabrics.
- do -	681-03	Ingots, blooms, slabs, billets, sheet bars, and tin plate bars of iron and steel and equivalent primary forms.
- do -	681-04	Iron and steel bars.
	681-05	Universals, plates and sheets of iron and steel, uncoated.
- do -	681-06	Hoop and strip of iron and steel (including tube strips and steel strip for springs) coated or

ANNEX 'B'

1. Special arrangements are provided in this Annex for the progressive elimination by less-developed Territories, within ten years from the effective date of this Agreement in conformity with paragraph 4, of import duties on such products as are itemised according to the Standard International Trade Classification (original) as follows:-

	<u>SITC Item No.</u>	<u>Description of Product</u>
Para 9, page 3, Summary Record of 5th Plenary.	Ex 048-04	Biscuits, sweetened or unsweetened.
- do -	Ex 657-03	Coir products, mats and matting.
- do -	Ex 899-13	Brushes made with plastic bristles, except paint brushes and artists' brushes.

2. Special arrangements are provided in this Annex for the progressive elimination by less-developed Territories within ten years from the effective date of this Agreement in conformity with paragraph 4, and by other Member Territories within five years from that date in conformity with paragraph 3, of import duties on such products as are itemised according to the Standard International Trade Classification (original) as follows:-

	<u>SITC Item No.</u>	<u>Description of Product</u>
Paras 10, 16 and 23, pages 2 to 3, 4 and 5, Summary Record of 6th Plenary.	053	Fruits preserved and fruit preparations, except frozen citrus concentrates and citrus segments.
- do -	121-01	Tobacco unmanufactured (including scrap tobacco and tobacco stems).
	122	Manufactured tobacco except cigars.
- do -	Ex 533	Prepared paints, enamels, lacquer and varnishes. Ships' bottom compositions, putty and all other (including driers).
- do -	Ex 552-02	Cleansing preparations without soap (detergents).
- do -	Ex 632	Crates and wooden containers.
	Ex 721-04	

Para. 9, page of Summary Record of 5th Plenary.

Paras. 10, 16 and 22, pages 2 to 3, 4 and 5, Summary Record of 6th Plenary.

- do -	Ex 721-19	Accumulators.
- do -	Ex 821	Wood furniture, metal furniture.
- do -	Ex 821-09	Mattresses.
- do -	Ex 841	Underwear and shirts of knitted fabrics. Underwear, shirts and nightwear of fabrics other than knitted. Outerwear of non-knitted textile fabrics.
- do -	Ex 851-01	Slippers and house footwear, wholly or mainly of leather.
	851-02	Footwear wholly or mainly of leather.

3. On and after each of the following dates, a Member Territory may apply an import duty on any product eligible for Area tariff treatment, being a product the duty on which is to be eliminated by the Member Territory within five years as mentioned in the foregoing provisions of this Annex, at a level not exceeding the percentage of the basic duty specified against that date:-

Effective date hereof	100 per cent
1st May, 1969	80 per cent
1st May, 1970	60 per cent
1st May, 1971	40 per cent
1st May, 1972	20 per cent
1st May, 1973	0 per cent

4. On and after each of the following dates, a less-developed Territory may apply import duty on any product eligible for Area tariff treatment, being a product the duty on which is to be eliminated by the Territory within ten years as mentioned in the foregoing provisions of this Annex, at a level not exceeding the percentage of the basic duty specified against that date:-

Paras. 9, 16
and 22, pages
2, 4 and 5,
Summary Record
of 6th Plenary.

Effective date hereof	100 per cent
1st May, 1973	50 per cent
1st May, 1978	0 per cent

5. Notwithstanding anything hereinbefore provided, special arrangements for the progressive elimination by Member Territories of import duty on any product listed in this Annex shall, in case of its being produced in any such Member Territory at the effective date hereof, come into operation on that date and, in any other case, shall come into operation, in so far as applicable, if and when such production commences in any of the Member Territories to which any of such arrangements have for the time being reference and the percentages of basic duty which are thenceforth applicable as prescribed by this Annex in relation to that product may be applied thereto accordingly.

6. Any less-developed Territory which considers that serious injury may be done to an industry in such Territory by the total elimination of import duty on any product as required by paragraph 4 may refer the matter to the Council, which may, by majority decision, authorise the continued application by any less-developed Territory of import duty on such product after the 30th April, 1978, due regard being had to the report of such committee (if any) as may have been constituted in accordance with Article 27 to examine the matter, and paragraphs 2 and 5 of Article 26 shall apply mutatis mutandis in the case of any reference under this paragraph as they apply in the case of a reference by a Member Territory to the Council under that Article.

7. For the purposes of this Annex -

(a) "basic duty" means, in respect of any product imported into a Member Territory, the import duty applicable in that Territory, immediately before the effective date hereof, to imports of such a product from the other Territories becoming Members of the Association;

(b) "paragraph" means a paragraph of this Annex;

(c) "less-developed Territories" means Member

Territories including neither Barbados, Guyana, Jamaica nor Trinidad and Tobago.

Paras 19,21 and 22, pages 4 to 5, Summary Record of 3rd Plenary; Para. 57, page 11 (after sub-para. (v)), of 4th Plenary; Para. 23(vi), page 7, Summary Record of 5th Plenary.

8. Nothing in this Agreement shall preclude any agreement made between the less-developed Territories, and notified by them to the Council, whereby their import duties on any of the products listed in this Annex and imported from the less-developed Territories shall at any time be eliminated by all the less-developed Territories or reduced by not less than such percentage of their respective basic duties as may be so agreed between them, notwithstanding that no corresponding elimination or reduction be made by them in respect of such products imported from the other Member Territories except in so far as it may be necessary so to do for the purposes of compliance with this Annex.

FOURTH SCHEDULE

Article 5(d)

ANNEX 'D'

1. Special arrangements are provided in this Annex for the progressive elimination by Member Territories, within five years from the effective date of this Agreement in conformity with paragraph 3, of the effective protective element in revenue duties (hereinafter referred to as protective revenue duty) applied to such imported goods as are itemised according to the Standard International Trade Classification (original) as follows:-

<u>SITC Item No.</u>	<u>Description of Product</u>
112-03	Beer, stout and ale.
112-04	Gin, vodka and whisky.
313	Petroleum Products.

2. Special arrangements are provided in this Annex for the progressive elimination by less-developed Territories within ten years from the effective date of this Agreement in conformity with

paragraph 4, and by other Member Territories within five years from that date in conformity with paragraph 3, of protective revenue duty applied to imported goods itemised under the Standard International Trade Classification (original) as follows:-

<u>SITC Item No.</u>	<u>Description of Product</u>
112-04	Rum.

3. On and after each of the following dates, a Member Territory may apply, to any imported goods the protective revenue duty on which is to be eliminated by the Member Territory within five years as mentioned in the foregoing provisions of this Annex, a protective revenue duty at a level not exceeding the percentage of the basic protective revenue duty specified against that date:-

Effective date hereof	100 per cent
1st May, 1969	40 per cent
1st May, 1970	30 per cent
1st May, 1971	20 per cent
1st May, 1972	10 per cent
1st May, 1973	0 per cent

4. On and after each of the following dates, a less-developed Territory may apply, to any imported goods the protective revenue duty on which is to be eliminated by the Territory within ten years as mentioned in the foregoing provisions of this Annex, a protective revenue duty at a level not exceeding the percentage of the basic protective revenue duty specified against that date:-

Paras. 9, 16 and 22, pages 2, 4 and 5, Summary Record of 6th Plenary.

Effective date hereof	100 per cent
1st May, 1973	50 per cent
1st May, 1978	0 per cent

5. Before the 1st November, 1968, every Member Territory shall notify to the Council its basic protective revenue duty on each product to which the foregoing provisions of this Annex apply.

Every Member Territory shall also notify to the Council the reductions which it intends to bring into effect in accordance with the said provisions.

6. Any less-developed Territory which considers that serious injury may be done to an industry in such Territory by the total elimination of protective revenue duty on any product as required by paragraph 4 may refer the matter to the Council, which may, by majority decision, authorise the continued application by any less-developed Territory of protective revenue duty on such product after the 30th April, 1978, due regard being had to the report of such committee (if any) as may have been constituted in accordance with Article 27 to examine the matter, and paragraphs 2 and 5 of Article 26 shall apply mutatis mutandis in the case of any reference under this paragraph ~~as~~ they apply in the case of a reference by a Member Territory to the Council under that Article.

7. For the purposes of this Annex -

- (a) the basic protective revenue duty, in respect of any product imported into a Member Territory, shall be the protective revenue duty applicable in that Territory, immediately before the effective date hereof, to imports of such a product from the other Territories becoming Members of the Association;
- (b) "less-developed Territories" shall have the meaning assigned thereto by paragraph 7 of Annex 'B';
- (c) "paragraph" means a paragraph of this Annex.

8. Notwithstanding anything hereinbefore provided, the foregoing provisions of this Annex shall, in respect of any imported goods itemised as aforesaid, apply to an importing Member Territory wherein neither like goods nor competitive substitutes therefor are produced, subject to the following modification, that is to say, the substitution for every reference in those provisions to protective revenue duty of a reference to import duty within the meaning of Article 4.

Paras. 20-22,
page 5, Summary
Record of 3rd Plenary;
para 57 (after
sub-para.(v)),
page 11, Summary
Record of 4th Plenary;
para 23 (vi),
page 7, Summary
Record of 5th
Plenary.

9. Nothing in this Agreement shall preclude any agreement made between the less-developed Territories, and notified by them to the Council whereby their protective revenue duties on any of the products listed in this Annex and imported from the less-developed Territories shall at any time be eliminated by all the less-developed Territories or reduced by not less than such percentage of their respective basic protective revenue duties as may be so agreed between them, notwithstanding that no corresponding elimination or reduction be made by them in respect of such products imported from the other Member Territories except in so far as it may be necessary so to do for the purpose of compliance with this Annex.

FIFTH SCHEDULE

Article 5(d)

RESOLUTION ADOPTED BY FOURTH HEADS OF GOVERNMENT
CONFERENCE ON REGIONAL INTEGRATION

Free Trade should be introduced with respect to all intra-Commonwealth Caribbean trade by 1st May, 1968, subject to a list of reserved commodities which would be freed within a five-year period for the more-developed countries and within a ten-year period for the less-developed countries; subject to special provisions for appeal by a less-developed Territory to the governing body of the Free Trade Area for further extension in any case where serious injury may be done to a territorial industry.

Para. 16,
page 3,
Summary
Record of
4th Plenary.

2. The Governments should approach the task of freeing of trade, by using the CARIFTA Agreement as a basis with suitable modifications.

3. The Commonwealth Caribbean Countries shall immediately take steps to initiate studies to determine whether the objective of achieving trade expansion to the mutual benefit of the member states can be facilitated by the establishment of a common external tariff in whole or in part.

4. The principle should be accepted that certain industries may require for their economic operation the whole or a large part of the entire regional market protected by a common external tariff or other suitable instrument. The location of such industries and the criteria to be applied in respect thereof, as well as the implementation of the principle accepted above, should be the subject of immediate study - such study to have special regard to the situation of the relatively less-developed countries.

5. Subject to existing commitments a regional policy of incentives to industry should be adopted as early as possible on the basis of studies mentioned in Resolution 7 below, bearing in mind the special needs of the less-developed countries for preferential treatment, such as soft loans.

6. Marketing agreements for an agreed list of agricultural commodities should be sought to come into effect at the same time as the commencement of free trade and the territories in the region should examine the possibility of restricting imports from extra-regional sources of agricultural products that are produced within the region and are available for satisfying regional demand.

7. The principle of seeking to establish more industries in the less-developed countries should be accepted and the ECLA Secretariat should be asked to undertake feasibility studies immediately with a view to identifying industries which should be located in the less-developed countries and to devising special measures for securing the establishment of such industries in these countries. These studies should be submitted to governments no later than one year after the commencement of free trade.

8. The Commonwealth Caribbean Countries should endeavour to maintain and improve regional carriers to facilitate the movement of goods and services within the region.

9. The Commonwealth Caribbean Countries should agree to negotiate with the Shipping Conference the rationalisation of

10. The ECLA Secretariat for the Caribbean should be asked to undertake a number of studies, for example, studies on the harmonising of incentives and the feasibility of establishing certain regional industries.

11. A Committee of Ministers should be set up immediately, functioning as a sub-committee of the Heads of Government Conference, with general responsibility for the establishment of Free Trade Area.

Para. 32, page
9, Summary
Record of
3rd Plenary.

SIXTH SCHEDULE

Article 5(e)

ANNEX 'E'

copra	nutmegs and mace	arrowroot
sugar	cocoa	eddoes
coconut oil	sweet potatoes	peanuts
		bauxite