

ASSOCIATION OF CARIBBEAN STATES (ACS)

DIRECTORATE FOR TRADE AND SUSTAINABLE DEVELOPMENT (DTSD)

ACS MEETING OF TRANSPORT STAKEHOLDERS

Thursday 28th May, 2020 - via videoconference

OPENING REMARKS FROM THE ACS SECRETARAY GENERAL,

DR. JUNE SOOMER

Chair of the Special Committee on Transport, Mr. Clifton Amoida of Suriname,
Representatives of the ACS Members and Associate Members,
Representatives from the Founding Observers of the ACS,
Representatives of air and maritime organizations within the Greater Caribbean,
Specially Invited Guests,
Ladies and Gentlemen.

Good morning,

As a Greater Caribbean region, we have rightfully prioritised the safety and health of our citizens and we must recall today our citizens who will not witness the new normal and our countries that are still grappling to flatten the curve. The COVID-19 pandemic has severely disrupted business as usual from supply chains and markets, to workers and cruise ports, and from trade and MSME's. It has indeed exposed the weaknesses and gaps in the transport sector in the Greater Caribbean. More than that however, it has provided the opportunity for us to reflect on how we move people, goods and services to, from and within our region, as well as what this will mean for the future of a people whose neighbourhood is as expansive as the Caribbean Sea and for whom mobility is treasured. We must ensure that we use this pivotal moment to advance our vision for more equitable, accessible, and robust transport systems.

A scan of the global environment indicates that Aviation is one of the sectors hardest hit by the Covid-19 crisis, with many countries closing their borders and suspending international air travel. Domestic air travel is also curtailed by social distancing, confinement measures, and shrinking economic activity. The 80% global drop in flights has caused severe financial disruption to the aviation sector. Restoring air connectivity

will be important for economic recovery. My hope is that we will be increasing connectivity amongst ourselves as a priority. We must connect Montego Bay to Managua; Suriname to Saint Lucia; La Romana to Rio Claro and ensure that south-south cooperation soars with our own airlines.

Air cargo volumes have declined with economic activity, but freight-only flights have grown. While the cruise industry will have to undertake major image reengineering before volumes return. Why should we not increase that movement with our own cruise ships. Our people would invest in getting to know each other in a safe zone.

The ECLAC COVID 19 Special Report 1 released in April 2020 states that Latin America and the Caribbean is facing the pandemic from a weaker position than the rest of the world. "all businesses, regardless of size, are affected, especially those in the aviation, tourism and services such as retail."

The Report identifies 5 ways in which the impact the region, all of which are pertinent to transport these are:

1. The decline in the economic activity of the region's main trading partners.
2. The drop in commodity prices. The sharp falls in these prices and the deterioration in the terms of trade.
3. The interruption of global value chains. 24%
4. Lower demand for tourism services expected to contract by 25%.
5. Greater risk aversion and worsening global financial conditions.

It further proposes that "the State must undertake planning activities to create the conditions needed to sustain and then stimulate supply and demand. This will require public capacities and resources and policy instruments that must be designed in line with the productive capabilities of each country, with the aim of preserving installed capacity. Ladies and gentlemen, I propose that we have the opportunity today to influence this regional resolve new purpose.

Recognising since 1994 that transport impacts our diverse Greater Caribbean in different ways and diagnosing that that some parts of our membership remain underdeveloped as they are underserved, the ACS has ensured that in ARTICLE III: Nature, Purposes and Functions it emphasized economic integration, including the liberalisation of trade, investment, transportation and other related areas; as a primary function for promotion.

The ACS has therefore taken the time to rationalize this occasion through the engagement with stakeholders and research and declares this an opportunity for closer regional collaboration to mitigate and plan for the future in the area of transport. Our objectives today are clear:

- Firstly to facilitate sharing on the current situation and impact of COVID-19 on the Transportation Sector,
- Secondly to facilitate discussion on best practices in the region,
- Thirdly to proffer options for an effective regional transport system in the short, medium, and long term.

It is our expectation we will emerge with a compendium of best practices applied in the region with regards to the transport sector, as well as regional solutions for an effective transport mechanism in the Greater Caribbean.

Finally ladies and gentlemen, we leave with the expectation that the ACS, the organisation which is responsible for the coordination of these matters will be invited into the meetings amongst our various groupings so we can bring to bear the views of the entire region to the table.

I thank you