



Outcome Statement

Caribbean Region Dialogue with the G20 Development Working Group, Washington DC, 13 April 2015

Member countries of the Caribbean Community (CARICOM) concluded their inaugural meeting with Turkey as G20 President for 2015 and other members of the G20 Development Working Group (DWG) in Washington DC on April 13, 2015.

Participants welcomed this inaugural meeting, taken at the initiative of the Central Bank of Trinidad and Tobago and Turkey's G20 Presidency. There was an enthusiastic exchange of development policy experiences and insights, knowledge sharing and the exploration of opportunities to deepen the Caribbean-G20 relationship. We welcomed the participation of Caribbean regional organisations as well as international organisations and development partners.

As small and mainly small island developing states, Caribbean countries face a wide range of challenges in pursuing sustainable development, addressing their vulnerabilities and building resilience. We concurred that the G20, including the DWG, has an important role to play in supporting Caribbean countries and the Caribbean region.

We discussed the G20 DWG's development policy agenda and welcomed an update from the Turkish G20 Presidency on progress with its development agenda and priorities for 2015, including infrastructure, domestic resource mobilization, human resource development, financial inclusion and remittances as well as food security and nutrition. Participants also strongly welcomed the Turkish G20 Presidency's emphasis this year on promoting the greater inclusiveness and participation of developing countries in the work of the G20 and on the implementation of DWG and other G20 commitments and noted that this will strengthen the development outcomes from these initiatives.

Participants also welcomed the G20 Presidency's approach to enhance policy coherence on development issues within various G20 work streams. Participants underscored the importance of focusing on access to energy for all within the G20 energy agenda, on promoting better integration of Caribbean countries into the global value chains and on establishing sustainable food systems along with reducing food losses and waste within the G20 agriculture track.

We held an informative and wide-ranging discussion on how Caribbean countries can more directly benefit from the 2015 DWG policy priorities, each of which offers

potential to help policy makers in Caribbean countries to develop practical solutions to some of their most acute development challenges. There is scope for the DWG's work in these areas to be made more widely accessible to Caribbean countries; and for Caribbean countries to participate more actively in the work of the DWG in each area. Going forward, a number of practical ways will be explored to achieve this, including strengthening the participation and the sharing of experience by Caribbean countries in DWG-related work; and increasing the number of countries participating in DWG initiatives in each of the five priority development areas.

We discussed the opportunities and challenges arising from the development of the Caribbean Blue Economy.

Developing the Caribbean Blue Economy offers strong potential for the Caribbean region and its member countries to help broaden output, exports, employment and revenue and to benefit from the array of assets and opportunities offered by the Caribbean Sea. We welcomed presentations from the Commonwealth Secretariat and from Grenada on the country's policy and institutional progress in transitioning to a blue economy ocean state; and shared comparative experience from beyond the Caribbean, welcoming a presentation from the Seychelles, illustrating how the blue economy is being developed elsewhere in a small island developing state.

Participants were also briefed on an innovative debt swap initiative that has been successfully launched and developed by the Seychelles. The mechanism will generate additional resources for sustainable marine use. We noted that this Blue Economy Debt for Adaptation Swap Initiative may be a useful example to explore for us in the Caribbean context.

We discussed the opportunities and challenges in strengthening domestic resource mobilization (DRM) in Caribbean countries.

Strengthening DRM can help reduce reliance on and volatility arising from external sources of finance; strengthen domestic ownership and accountability for development initiatives; help finance social and other public expenditure and infrastructure; and improve countries' policy space. We recognized and discussed several sources of DRM, including tax revenue, bond revenue and other sources of domestic private financing, all of which can contribute to financing Caribbean countries' development. Caribbean countries have achieved structural changes to the composition of tax revenues, reduced reliance on taxes from international trade and strengthened the use of broader-based consumption taxes, particularly VAT. These efforts have strengthened tax performance across the Caribbean.

We noted that the DWG is pursuing a detailed and practically focused DRM programme in 2015, including exploring how the availability of data on transfer pricing comparability can be improved for the benefit of developing countries; and developing options for the more efficient and effective use of tax incentives for investment. We agreed to explore how these initiatives can help support national efforts; and how development partners can help national and regional efforts to strengthen tax administration and tax policy, as well as compliance with international tax policy. Participants also discussed new and innovative sources of financing such

as Diaspora Bonds and Blue Bonds, which have strong potential to scale up domestic resource mobilization flows.

In concluding our dialogue we thanked Governor Jwala Rambarran, Central Bank of Trinidad and Tobago and Ambassador Ayse Sinirlioğlu, G20 Sherpa of Turkey, for initiating, convening and chairing this inaugural meeting between Caribbean countries and the G20 DWG. Building on this successful inaugural Caribbean Region Dialogue, we will consider opportunities to take forward the insights and suggestions we have shared and to advance and deepen our engagement with the G20 DWG in the period ahead.