

Tenth Report to Congress on the Operation of the Caribbean Basin Economic Recovery Act

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Prepared by the Office of the United States Trade Representative



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Executive Summary

- The U.S. trade preferences programs for the Central American and Caribbean region, initially launched in 1983 by the Caribbean Basin Economic Recovery Act (CBERA), and known collectively as the Caribbean Basin Initiative (CBI), continue to generate important benefits for the beneficiary countries. The expansion of CBI benefits through enactment of the Caribbean Basin Trade Partnership Act (CBTPA) in 2000, relevant provisions in the Trade Act of 2002, the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE Act), the HOPE II Act of 2008, and the Haitian Economic Lift Program Act of 2010 (HELP Act), represents an important affirmation of the ongoing U.S. commitment to economic development in the Caribbean Basin, by expanding duty-free access to the U.S. market for CBI goods.
- Combined with economic reform and other actions taken by beneficiary countries to liberalize their trade regimes, the trade benefits of CBI have helped beneficiary countries and certain dependent territories in the region diversify their exports and contributed to their economic growth.
- On August 5, 2004, the United States signed the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) with five Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua) and the Dominican Republic. The CAFTA-DR entered into force for El Salvador on March 1, 2006; for Honduras on April 1, 2006; for Nicaragua on April 1, 2006; for Guatemala on July 1, 2006; for the Dominican Republic on March 1, 2007; and for Costa Rica on January 1, 2009. When the CAFTA-DR entered into force for each of these countries, that country ceased to be designated as a CBERA and CBTPA beneficiary country.
- On October 31, 2012, the United States-Panama Trade Promotion Agreement entered into force and Panama ceased to be designated as a CBERA-CBTPA beneficiary country.
- As a result of the decrease in the number of beneficiary countries,¹ since 2006 total trade with CBI countries has decreased, both in absolute terms and as a percentage of total U.S. trade.
- The total value of U.S. imports from beneficiary countries² in 2012 was \$11.9 billion, a decrease of \$2.7 billion from the previous year, but an increase of \$1.9 billion from

¹ This report uses the term “beneficiary countries” to refer to the sovereign countries and dependent territories that receive preferential access to the U.S. market in accordance with the provisions of the CBERA and/or the CBTPA.

2010.³ The CBI's share of total U.S. imports was 0.5 percent in 2012 and 0.7 percent the previous year. While the overall value of imports is small, imports under CBI tariff preferences accounted for relatively significant proportions of total U.S. imports from several beneficiary countries.

- The total value of U.S. exports to beneficiary countries was \$19.0 billion in 2012,⁴ up \$311.5 million from the previous year and up \$1.2 billion from 2010. The CBI's share of total U.S. exports was 1.4 percent of total U.S. exports in 2011 and 2012. The CBI region as a whole ranked as the 19th largest market for U.S. exports.
- The CBTPA provisions are being used extensively by CBI exporters from some eligible countries and by U.S. importers from those countries. The Administration will continue to work with Congress, the private sector, beneficiary countries, and other interested parties to ensure a faithful and effective implementation of this important expansion of the CBERA program.
- The eligibility criteria contained in the CBI statutes, including the revised factors outlined in the CBTPA, have continued to provide opportunities to advance important U.S. policy objectives.
- U.S. engagement with the Caribbean Basin through the CBI offers an important opportunity to foster the active participation of countries and dependent territories in the region in various initiatives to promote trade liberalization and to help CBI beneficiary countries and dependent territories make the structural changes necessary for them to take full advantage of trade liberalization in the Western Hemisphere.

² Beneficiary countries in 2012 were: Antigua and Barbuda, Aruba, The Bahamas, Barbados, Belize, British Virgin Islands, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Panama (through October 2012), St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago.

³ Imports for consumption, customs value.

⁴ Domestic exports, free alongside ship (F.A.S.) value.

Introduction

The programs known collectively as the CBI are a vital element in U.S. economic relations with its neighbors in Central America and the Caribbean. Initially launched in 1983 by the CBERA and substantially expanded in 2000 with the CBTPA, the CBI was further expanded in the Trade Act of 2002. The HOPE Act, the HOPE II Act of 2008, and the HELP Act provided additional benefits for textile and apparel products from Haiti. As of 2013, CBI provides 16 countries and dependent territories with duty-free access to the U.S. market for most goods.

The CBI was initially envisioned as a program to facilitate the economic development and export diversification of the Caribbean Basin economies. However, after nearly three decades, it is clear that the CBI also provides important benefits to the United States, as well as beneficiary countries. U.S. exports to the CBI beneficiary countries reached \$19.0 billion in 2012. The value of U.S. exports to CBERA beneficiary countries grew by over five percent in 2012, exceeding the growth rate for total global U.S. exports, which grew 4.1 percent.

CBI beneficiary countries are subject to certain eligibility criteria set out in the various statutes. These criteria, and the performance of CBI eligible countries and dependent territories in addressing them, are discussed in detail in Chapter 3. The Administration conducted an extensive review of all CBI beneficiary countries in mid-2000, in connection with the implementation of the CBTPA, which reflected a revised set of eligibility criteria for receiving enhanced trade benefits. This review process provided an important opportunity to engage with CBI trading partners to advance the U.S. policy objectives.

In the CBTPA, Congress highlighted the commitment of the United States to promoting economic growth in the Caribbean Basin, and noted that it is the policy of the United States to seek a free trade agreement with willing countries in the region at the earliest possible date.

Enactment of the Trade Act of 2002 represented a strong reinforcement of the U.S. commitment to economic engagement with its Caribbean Basin neighbors. In addition to harmonizing apparel eligibility criteria among the Andean Trade Preferences Act, the African Growth and Opportunity Act, and the CBTPA programs, the Trade Act of 2002 increased the upper limits for duty-free treatment of knit apparel articles and t-shirts from the Caribbean Basin.

The HOPE Act further amended the CBERA program by establishing special new rules of origin that make Haiti eligible for new trade benefits for apparel imports and that enhance sourcing flexibility for apparel producers in Haiti. The HOPE II Act modified the existing trade preference programs under the HOPE Act and added other new programs that allow for duty-free treatment for qualifying Haitian-produced apparel. In 2010, the HELP Act extended the CBTPA and the HOPE Acts through September 30, 2020. The HELP Act also provided duty-free treatment for additional textile and apparel products from Haiti.

Pursuant to section 212(f) of the CBERA, on a biennial basis the United States Trade Representative (USTR) is required to submit a report to Congress regarding the results of the general review of beneficiary countries and their performance under the eligibility criteria. This Report provides an important opportunity to evaluate the effects of these expansions of CBI trade

preferences. It is clear that the preference provisions are being actively used by beneficiary countries and U.S. industries. The Administration will continue to work with Congress, the private sector, CBI beneficiary countries, and other interested parties to ensure a faithful and effective implementation of this important expansion of trade benefits.

Description Of The Caribbean Basin Initiative

Key Product Eligibility Provisions

CBERA Preferences

The CBERA allows the President to grant unilateral duty-free treatment for imports of certain eligible articles from CBI beneficiary countries. In order to receive benefits, products generally must: a) be imported directly from a CBI beneficiary country into the U.S. customs territory; b) be wholly the growth, product or manufacture of a CBI beneficiary country or be substantially transformed into a new or different article in the CBI beneficiary country; and c) contain a minimum of 35 percent local content of one or more CBI beneficiary countries (15 percent of the minimum content may be from the United States).

In 1990, the CBERA was amended to provide a modest increase in market access to the United States and to make the CBERA permanent. These amendments expanded certain trade and tax benefits of the original statute, including: a 20 percent tariff reduction on certain leather products; duty-free treatment for products produced in Puerto Rico and further processed and imported from CBI beneficiary countries; and duty-free treatment from CBI beneficiary countries for products made from 100 percent U.S. components. Textile and apparel articles, and petroleum and certain products derived from petroleum, however, were excluded from duty-free treatment.

In addition, as part of the ongoing efforts to make the program more effective through administrative enhancements, the list of products eligible for duty-free treatment was expanded through two proclamations intended to make the scope of CBERA parallel the language of the Generalized System of Preferences (GSP). Effective September 28, 1991, 94 tariff categories, affecting \$47 million in 1991 imports, were provided new or expanded duty-free treatment. A second expansion, effective July 17, 1992, provided 28 tariff categories new or expanded status as goods eligible for preferential tariff treatment under CBI.

CBTPA Preferences

In May 2000, the United States enacted a further enhancement of the CBI through the CBTPA. This legislation was implemented on October 2, 2000. The CBTPA recognizes the importance of apparel as a component of CBI exports to the United States, and expands the degree of preferential treatment applied to U.S. imports of apparel made in the Caribbean Basin region.

Under the CBTPA, duty- and quota-free treatment is provided for apparel assembled in CBI countries from U.S. fabrics formed from U.S. yarns and cut in the United States. If the U.S. fabrics used in the production of such apparel are cut into parts in the CBTPA beneficiary countries rather than in the United States, the apparel must also be sewn together with U.S. thread in order to qualify for preferential treatment. Duty- and quota-free treatment is also available for certain knit apparel made in CBTPA beneficiary countries from fabrics formed in

the Caribbean Basin region, provided that the fabric is formed from U.S. yarns. This “regional fabric” benefit for knit apparel is subject to an annual quantitative limit, with a separate limit provided for t-shirts. The limits were subject to annual growth rates of 16 percent through September 30, 2004. (These limits were later amended by the Trade Act of 2002, discussed below.) Duty- and quota-free treatment is also available for certain brassieres, certain textile luggage, apparel made in CBI countries from fabrics determined not to be available in commercial quantities in the United States, and designated “hand-loomed, handmade, or folklore” articles.

In addition to these apparel preferences, the CBTPA provides tariff treatment equivalent to that extended to Mexican products under the North American Free Trade Agreement (NAFTA) for certain items previously excluded from duty-free treatment under the CBI program. These products are: footwear, canned tuna, petroleum products, certain watches and watch parts, certain handbags, luggage, flat goods, work gloves and leather wearing apparel.

Trade Act of 2002 Preferences

The Trade Act of 2002 amended the CBERA to grant additional benefits to Caribbean Basin apparel products. Specifically, these changes permitted the use of U.S. and regional knit-to-shape components in eligible apparel articles. The Trade Act of 2002 also grants preferences to “hybrid articles,” which are articles that contain U.S. and regional components, and specified that both fabric and knit-to-shape components may be used in eligible articles. In addition, the Trade Act of 2002 substantially increased the annual quantitative limit for eligible knit apparel articles and nearly doubled the separate limits for t-shirts. The act also added a requirement, effective September 1, 2002, that for apparel assembled in the region from U.S. knit or woven fabrics, all dyeing, printing, and finishing of the fabric must be done in the United States.

HOPE Act

The HOPE Act makes Haiti eligible for new trade benefits, in addition to those it currently receives under CBI. Under CBTPA, apparel imports from Haiti qualified for duty-free treatment only if they were made from U.S. or Haitian fabric. However, the HOPE Act also allows apparel imports from Haiti to enter the United States duty free if at least 50 percent of the value of inputs and/or costs of processing are from any combination of U.S., FTA partner countries, and regional preference program partner countries. The quantity of apparel eligible for duty-free treatment under this provision was subject to a limit in the first year equivalent to one percent of overall U.S. apparel imports. This limit expanded gradually over five years, reaching two percent in the fifth year.

The HOPE Act also removed duties for three years on a specified quantity of woven apparel imports from Haiti made from fabric produced anywhere in the world. Finally, the HOPE Act allows automotive wire harnesses imported from Haiti that contain at least 50 percent by value of materials produced in Haiti, U.S., FTA partner countries, or regional preference program countries to qualify for duty-free treatment.

The HOPE Act benefits did not go into effect until Haiti established or demonstrated that it was “making continual progress toward establishing”: 1) a market-based economy, 2) the rule of law, political pluralism, and due process, 3) the elimination of barriers to U.S. trade and investment, 4) economic policies to reduce poverty, increase the availability of health care and education and promote private enterprise, 5) a system to combat corruption, and 6) the protection of internationally recognized worker rights. Preferential access will not be given if Haiti undermines United States foreign policy interests or engages in gross violations of human rights or provides support for acts of international terrorism.

HOPE II Act

The HOPE II Act was enacted in 2008 as a continuation and expansion of the original HOPE Act of 2006. HOPE II provides for duty-free access for up to 70 million square meter equivalents (SME) of knit apparel (with some t-shirt and sweatshirt exclusions) and 70 million SMEs of woven apparel without regard to the country of origin of the fabric or components, as long as the apparel is wholly assembled or knit-to-shape in Haiti. HOPE II provides for duty-free treatment of knit or woven apparel under a “three for one” earned import allowance program: for every three SMEs of qualifying fabric (sourced from the United States or certain trade partner countries) shipped to Haiti for production of apparel, qualifying apparel producers may export duty-free from Haiti or the Dominican Republic to the United States one SME of apparel wholly-formed or knit-to-shape in Haiti regardless of the source of the fabric. HOPE II also provides for duty-free treatment for certain brassieres, luggage, headgear, and certain sleepwear. HOPE II allows these Haitian goods to enter the United States duty-free if shipped either directly from Haiti or through the Dominican Republic.

On October 16, 2009, President Obama certified to Congress that Haiti had met the requirements necessary to continue the duty-free treatment provided under HOPE II. Since enactment of HOPE II, Haiti issued a decree establishing an independent labor ombudsman’s office, and the President of Haiti selected a labor ombudsman following consultation with unions and industry representatives. In addition, Haiti, in cooperation with the International Labor Organization, established a Technical Assistance Improvement and Compliance Needs Assessment and Remediation (TAICNAR) Program. Haiti has also implemented an electronic visa system that acts as a registry of Haitian producers of articles eligible for duty-free treatment and has made participation in the TAICNAR Program a condition of using this visa system.

Under HOPE II, the President must identify producers on a biennial basis who have failed to comply with core labor standards and with the labor laws of Haiti that directly relate to and are consistent with such standards, and to seek to assist such producers in coming into compliance with core labor standards and related Haitian laws. The President has delegated his authority to the Secretary of Labor, in consultation with the United States Trade Representative (USTR), to identify any such producers and provide remediation assistance to them. In December 2011, the Secretary of Labor identified three producers as noncompliant with one or more core labor standards. These findings were related to the following core labor standards: (i) freedom of association; (ii) discrimination, in particular sexual harassment; and (iii) forced labor, in particular certain mandatory overtime practices. The Department of Labor has been providing

assistance to the producers and the producers have taken significant steps to remediate the non-compliance findings.

The HOPE II Act also requires an annual report to the House Ways and Means Committee and Senate Finance Committee on implementation of the Act's requirements on the Labor Ombudsman and the TAICNAR Program. Specifically, the report must include (i) the efforts of Haiti, the President and the International Labor Organization (ILO) to carry out the provisions in the Act relating to labor, (ii) a summary of the biannual TAICNAR reports, and (iii) any identification of producers who have failed to comply with core labor standards and related Haitian labor laws and any reinstatement of preferential treatment if it has been previously suspended. The President has delegated authority to the United States Trade Representative to submit this report. The most recent report was submitted to Congress on June 18, 2013.

HELP Act

In May 2010, the President signed the HELP Act. The HELP Act further expanded existing preferences for apparel and established new preferences for certain non-apparel textile goods. With the exception of the Value-Added TRQ (which expires in December 2018), HELP extended all of CBTPA's and the HOPE Act/HOPE II preference programs through September 2020.

HELP expanded and extended current preference programs under the HOPE and HOPE II Acts, and established new preferences providing unlimited duty-free treatment for certain knit apparel and certain non-apparel textiles wholly assembled or knit-to-shape in Haiti, using fabric or components from any source.

Beneficiary Countries

As of 2013, 16 countries and dependent territories receive CBERA and/or CBTPA benefits. Chapter 3 discusses the eligibility criteria related to the designation of countries and dependent territories as CBERA and CBTPA beneficiary countries and provides a summary of current compliance with these criteria on the part of CBI countries. The President is authorized to limit, suspend or withdraw CBI benefits if conditions change with regard to performance in connection with the statutory eligibility criteria.

Twenty countries and dependent territories were designated to receive benefits on January 1, 1984: Antigua and Barbuda, Barbados, Belize, British Virgin Islands, Costa Rica, Dominica, Dominican Republic, El Salvador, Grenada, Guatemala, Haiti, Honduras, Jamaica, Montserrat, Netherlands Antilles, Panama, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago. The Bahamas was designated on March 14, 1985. On April 11, 1986, Aruba was designated as a beneficiary country effective January 1, 1986, upon becoming independent of the Netherlands Antilles. Guyana was designated effective November 24, 1988, and Nicaragua was designated as a beneficiary country effective November 13, 1990. This brought the total number of beneficiary countries to 24.

Anguilla, Cayman Islands, Suriname, and Turks and Caicos Islands have also been identified by Congress as potentially eligible for benefits. Anguilla, Cayman Islands, and Turks and Caicos Islands, however, have not requested beneficiary status. Suriname requested beneficiary status in 2009, and the United States is consulting with the Government of Suriname regarding its request.

Based on the criteria described in Chapter 3 of this report, on October 2, 2000, President Clinton designated all 24 of the then-existing CBERA beneficiary countries as eligible beneficiaries under the CBTPA. The CBTPA requires an additional determination that countries and dependent territories have implemented or are making substantial progress toward implementing certain customs procedures based on those contained in the NAFTA. (See discussion below.) As of late 2013, the following seven countries have satisfied this requirement and have been designated as fully eligible to receive the enhanced benefits of the CBTPA: Barbados, Belize, Guyana, Haiti, Jamaica, Saint Lucia, and Trinidad and Tobago. Additional CBTPA eligible beneficiaries may be designated in the future as fully eligible for CBTPA benefits, provided that the customs-related requirements are satisfied.

On August 5, 2004, the United States signed the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR). The CAFTA-DR entered into force for El Salvador on March 1, 2006; for Honduras on April 1, 2006; for Nicaragua on April 1, 2006; for Guatemala on July 1, 2006; for the Dominican Republic on March 1, 2007; and for Costa Rica on January 1, 2009. When the CAFTA-DR entered into force for each of these countries, the country ceased to be designated as a CBERA and CBTPA beneficiary country.

On October 12, 2011, the Congress passed legislation approving the United States-Panama Trade Promotion Agreement and President Obama signed the legislation on October 21, 2011. This agreement entered into force on October 31, 2012 and Panama ceased to be designated as a CBERA and CBTPA beneficiary country.

Up to October 2010, the Kingdom of The Netherlands consisted of three parts: the Netherlands, the Netherlands Antilles and Aruba. The Netherlands Antilles consisted of the islands of Curaçao, Sint Maarten (the Dutch part of the island of St. Martin), Bonaire, Saba, and Sint Eustatius. As of October 10, 2010, the Netherlands Antilles ceased to exist as part of the Kingdom of the Netherlands, and now consists of four parts: the Netherlands, Aruba, Curaçao and Sint Maarten. Curaçao and Sint Maarten, which had previously been eligible for CBERA and CBTPA benefits, became eligible in their own rights. Bonaire, Saba, and Sint Eustatius became part of the Netherlands and as such are not eligible for CBERA and CBTPA benefits. The United States is reviewing requests of Curaçao and Sint Maarten for designation as beneficiary countries under CBERA and CBTPA.

Anti-Transshipment Provisions

In extending preferential treatment to certain kinds of apparel manufactured in CBI beneficiary countries, the CBTPA includes provisions intended to guard against the illegal transshipment of non-qualifying goods through CBI countries. In order to take advantage of this trade benefit, CBTPA beneficiaries are required to implement and follow, or make substantial progress toward

implementing and following, certain customs procedures based on those contained in Chapter 5 of the NAFTA. To meet these statutory requirements, beneficiary countries were requested to provide the USTR with commitments regarding, *inter alia*: use of appropriate certificate of origin documents; cooperation with U.S. Customs and Border Protection in conducting origin verification visits under certain conditions; implementation of legislation and/or regulations to ensure the enforcement of these customs procedures; imposition of appropriate penalties in cases of non-compliance; and regular updates on progress in implementing the customs requirements established under the CBTPA.

The CBTPA also provides that, if a CBI exporter is determined to have engaged in illegal shipment of textile or apparel products, the President shall deny all benefits under the CBTPA to that exporter for two years. In addition, where a beneficiary country has been requested by the United States to take action to prevent transshipment and the country has failed to do so, the President shall reduce the quantities of textile and apparel articles that may be imported into the United States from that beneficiary country by three times the quantity of articles transshipped.

In a September 2001 report to Congress, the USTR concluded that the implementation of the CBTPA appears to have resulted in no systemic transshipment activity in the Caribbean Basin region and that the level and degree of cooperation on anti-circumvention matters on the part of CBTPA beneficiary countries are positive.

Safeguard Provisions

The President may suspend duty-free treatment under the CBI programs if temporary import relief is determined to be necessary due to serious injury to domestic producers. The CBI provides special rules governing emergency relief from imports of perishable agricultural products from beneficiary countries.

Rum Provisions

An excise tax of \$13.50 per proof gallon is imposed under section 5001(a)(1) of the Internal Revenue Code of 1986 (the Code) on distilled spirits, including rum, produced in or imported into the United States. The CBERA requires that excise taxes (minus the estimated amount necessary for payment of refunds and drawbacks) on all rum imported into the United States, including rum from the CBERA countries, be transferred (covered over) to the Treasuries of Puerto Rico and the Virgin Islands (section 7562(e)(1) of the Code). Rum brought into the United States from Puerto Rico and the Virgin Islands is subject to the same rate of tax and the amounts collected are also covered over to those insular Treasuries (section 7652(a)(3) and (b)(3), respectively, of the Code) minus certain amounts necessary for refunds, duty drawback or administrative expenses. For distilled spirits imported or brought into the United States after June 30, 1999 and before January 1, 2014, the rate at which the amounts transferred are calculated is \$13.25 per proof gallon (section 7652(f) of the Code).

The CBERA provides that if the amounts transferred to Puerto Rico or the Virgin Islands are lower than the amount that would have been transferred if the imported rum had been produced in Puerto Rico or the Virgin Islands, the President shall consider compensation measures and

may withdraw the duty-free treatment of rum produced in CBI countries. This provision—intended to provide a remedy should the amounts carried over to Puerto Rico and the Virgin Islands fall below such amounts transferred under prior law—has never been invoked.

Tax Provisions

U.S. taxpayers can deduct legitimate business expenses incurred in attending a business meeting or convention in a qualifying CBERA beneficiary country, or Bermuda, without regard to the more stringent requirements usually applied to foreign convention expenses. To qualify, a CBERA beneficiary country must have a tax information exchange agreement in effect with the United States, and the tax laws in the CBERA beneficiary country may not discriminate against conventions held in the United States.

As of December 2013, the following countries have satisfied all of the requirements for benefiting from this provision: Antigua and Barbuda, Aruba, Bahamas, Barbados, Bermuda, Costa Rica, Dominica, Dominican Republic, Grenada, Guyana, Honduras, Jamaica, and Trinidad and Tobago.⁵

Reports

In addition to this biennial USTR Report on the general operation of the CBERA and compliance with eligibility criteria, the CBERA requires the following reports.

USITC Economic Effects Report: Section 215 of the CBERA requires the U.S. International Trade Commission (ITC) to report biennially to the Congress with an assessment of the actual and probable future effects of the CBERA on the U.S. economy generally, on U.S. consumers, and on U.S. industries. Effective in 2001, the ITC report is also required to address the economic impact of the CBI programs on beneficiary countries. The ITC submitted its 21st report on the impact of the CBERA to the President and Congress in September 2013 (USITC Publication 4428). The ITC concluded that the CBERA continued to have a negligible effect on the U.S. economy during 2011 and 2012. The ITC concluded that the probable future effect of CBERA on the United States will be minimal, as CBERA countries generally are small suppliers to the U.S. market.

Worst Forms of Child Labor Report: The Trade and Development Act of 2000 requires the Secretary of Labor to prepare a report on each “beneficiary country’s implementation of its international commitments to eliminate the worst forms of child labor.” The most recent report was published on September 30, 2013.⁶

All CBERA beneficiary countries have ratified ILO Convention No. 182 on the Worst Forms of Child Labor. Also, many of the beneficiary countries studied in the 2013 report showed both ongoing efforts and new efforts with respect to governmental policies and programs to eliminate the worst forms of child labor. These efforts are described in the individual country reports in

⁵ See IRS Revenue Ruling 2011-26.

⁶ The complete report is available at <http://www.dol.gov/ilab/programs/ocft/2012TDA.pdf>.

Chapter 3. The U.S. Department of Labor and other donors have also funded child labor elimination projects implemented by a variety of organizations, including the International Labor Organization-International Program on the Elimination of Child Labor (ILO-IPEC) in the Caribbean, Central America, the Dominican Republic and Haiti to combat child labor in hazardous sectors such as agriculture, garbage collecting and fireworks manufacturing, as well as to prevent the commercial sexual exploitation of children.

Meetings with Caribbean Basin Trade Ministers

The CBTPA directs the President to convene a meeting with the trade ministers of Caribbean Basin countries in order to establish a schedule of regular meetings of the region's trade ministers and the USTR. As indicated in the CBTPA, the purpose of the meetings is to advance consultations between the United States and CBI countries concerning the possible initiation of advantageous trade agreements with the United States.

In May of 2013, the Vice President met with Ministers from the region and signed a Trade and Investment Framework Agreement with the Caribbean Community and Common Market (CARICOM). In March of 2012 and November of 2013, the United States Trade Representative met with a group of officials from CARICOM Member States and the CARICOM Secretariat to discuss a wide range of issues related to trade and investment in the region. U.S. officials met with officials from CARICOM and its Member States several times during the reporting period.

Other Provisions

Under U.S. antidumping and countervailing duty laws, imports from two or more countries subject to investigation may be aggregated, or "cumulated," for the purpose of determining whether the unfair trade practice causes material injury to a U.S. industry. The 1990 amendments to the CBERA created an exception to this general cumulation rule for imports from CBI beneficiary countries. If imports from a CBI country are under investigation in an anti-dumping or countervailing duty case, imports from that country may not be aggregated with imports from non-CBI countries under investigation for purposes of determining whether the imports from the CBI country are causing, or threatening to cause, material injury to a U.S. industry. They may, however, be aggregated with imports from other CBI countries under investigation.

U.S. Trade in Goods With CBI Countries

U.S. Imports

Detailed information on U.S. imports from CBI countries is presented in Appendix 1 of this report.

At their peak in 2005, U.S. imports from CBI countries were \$32.0 billion. CBI countries combined constituted the 12th-largest supplier of U.S. imports, ahead of Italy and just behind Venezuela. In 2012, CBI beneficiary countries supplied \$11.9 billion of U.S. imports, ranking 31st among U.S. import suppliers, ahead of the Dominican Republic and behind Austria. In 2005, CBI beneficiary countries supplied nearly two percent of total imports into the United States, but the share decreased to 0.5 percent in 2012, following the exit of the CAFTA-DR beneficiaries and the other countries from the CBERA program⁷ (see: Table 1). In 2011, the value of U.S. merchandise imports from all CBI beneficiary countries totaled \$14.5 billion, an increase of 46.1 percent over the previous year, largely due to increased U.S. imports of refined petroleum products, which rose both in quantity and value. In 2012, imports from CBI beneficiaries totaled \$11.8 billion, corresponding to a year-over-year decline of 18.4 percent, reflecting the decline in U.S. imports of refined petroleum products from CBI countries following the closure of Aruba's refinery in March 2012.

Year	U.S. Total Exports to World ²	U.S. Exports to CBI Countries		U.S. Total Imports from World ³	U.S. Total Imports from CBI Countries	
	Million \$	Million \$	Percent of U.S. Total	Million \$	Million \$	Percent of U.S. Total
2008	1,169,821.3	23,496.7	2.0	2,090,482.8	19,485.5	0.9
2009	936,745.0	14,482.9	1.5	1,549,163.5	9,414.0	0.6
2010	1,122,130.8	17,862.4	1.6	1,898,610.2	9,936.3	0.5
2011	1,299,176.1	18,717.8	1.4	2,186,951.1	14,515.4	0.7
2012	1,353,211.2	19,029.3	1.4	2,251,035.4	11,849.2	0.5
Jan-Aug 2012	895,118.2	13,503.6	1.5	1,501,613.4	8,389.8	0.6
Jan-Aug 2013	904,417.6	7,777.5	0.9	1,480,373.4	6,307.7	0.4

⁷ Costa Rica ceased to be a beneficiary country upon entry into force of the Dominican Republic-Central-America-United States Free Trade Agreement (CAFTA-DR) in 2009. Netherlands Antilles ceased to be a beneficiary when it was dissolved as a political entity in October 2010. Additionally, Panama ceased to be a CBI beneficiary upon the entry into force of the United States.-Panama Trade Promotion Agreement on October 31, 2012. United States imports from CBI countries since 2009 reflect the exit of these countries from the CBERA program as imports are lower than they otherwise would be if these countries had not left the program (see Table 1). The exit of Costa Rica from CBERA alone accounted for \$3.9 billion of the total decrease in imports from CBI beneficiary countries in 2009.

¹ Values for U.S. trade with CBERA countries include individual country trade data only for those months in the period during which those countries were eligible for CBERA benefits

² Domestic exports, free alongside ship (F.A.S.) value.

³ Imports for consumption, customs value.

Source: Compiled from official statistics of the U.S. Department of Commerce.

U.S. imports entering under CBI tariff preferences reached \$3.6 billion in 2011, an increase of 25.1 percent over 2010, but fell to \$3.1 billion in 2012, or 13.3 percent from the previous year. (see: Table 2 under “All CBI Beneficiaries”). The exit of Costa Rica from CBERA in 2009 shifted the product composition of U.S. imports under the CBERA program; agricultural products, which had come mainly from Costa Rica and other CAFTA-DR countries, declined in share, while petroleum and other energy-related imports (mainly supplied by Trinidad and Tobago) became more important. In 2012, petroleum and energy-related products accounted for 76 percent of U.S. imports under CBERA, and textiles and apparel (mainly apparel), the second-leading category of imports, accounted for 14 percent.

Import Program	2010	2011	2012	2012 Jan- Aug	2013 Jan- Aug	Change 2010- 2011	Change 2011- 2012	Change Jan- Aug
	Million \$					Percent		
Former CBI Beneficiaries²								
CBI	29.4	55.2	26.3	24.6	0.0	87.6	-52.3	-100.0
CBERA	29.4	55.0	26.1	24.4	0.0	86.9	-52.6	-100.0
CBTPA	0.0	0.2	0.2	0.2	0.0	1,316.0	14.4	-100.0
GSP	10.2	1.0	23.8	20.2	0.0	-90.6	2,385.5	-100.0
Otherwise duty-free	475.9	322.7	372.7	236.6	0.0	-32.2	15.5	-100.0
Dutiable imports	706.8	9.3	9.9	6.4	0.0	-98.7	6.6	-100.0
Total	1,222.3	388.1	432.6	287.8	0.0	-68.2	11.5	-100.0
January 1, 2013 CBI Beneficiaries								
CBI	2,863.1	3,563.7	3,110.7	2,170.1	1,597.5	24.5	-12.7	-26.4
CBERA	1,191.8	1,685.0	1,477.5	987.5	1,037.0	41.4	-12.3	5.0
CBTPA	1,671.3	1,878.7	1,633.1	1,182.6	560.4	12.4	-13.1	-52.6
GSP	25.7	10.1	14.4	8.2	15.9	-60.7	42.8	92.8
HOPE Acts	162.2	230.5	306.1	189.7	274.2	42.1	32.8	44.5
Otherwise duty-free	4,559.6	5,425.5	5,399.4	3,566.8	3,554.0	19.0	-0.5	-0.4
Dutiable imports	1,103.4	4,897.6	2,586.0	2,167.2	866.2	343.9	-47.2	-60.0
Total	8,714.1	14,127.4	11,416.6	8,102.0	6,307.7	62.1	-19.2	-22.1
All CBI Beneficiaries								
CBI	2,892.5	3,618.9	3,137.0	2,194.7	1,597.5	25.1	-13.3	-27.2
CBERA	1,221.2	1,740.0	1,503.6	1,011.9	1,037.0	42.5	-13.6	2.5
CBTPA	1,671.4	1,878.9	1,633.4	1,182.8	560.4	12.4	-13.1	-52.6
GSP	35.9	11.1	38.2	28.5	15.9	-69.2	245.2	-44.2
HOPE Acts	162.2	230.5	306.1	189.7	274.2	42.1	32.8	44.5

Otherwise duty-free	5,035.5	5,748.2	5,772.1	3,803.4	3,554.0	14.2	0.4	-6.6
Dutiable imports	1,810.2	4,906.8	2,595.9	2,173.6	866.2	171.1	-47.1	-60.2
Total	9,936.3	14,515.4	11,849.2	8,389.8	6,307.7	46.1	-18.4	-24.8

¹ Imports for consumption, customs value.

² Values for U.S. trade with CBERA countries include individual country trade data only for those months in the period during which those countries were eligible for CBERA benefits. For clarity, the term “former beneficiaries” in this table refers to the Netherlands Antilles and Panama.

Source: Compiled from official statistics of the U.S. Department of Commerce.

CBI Tariff Preferences: Top Importing Countries

Trinidad and Tobago has been the leading source of U.S. imports entering under CBI tariff preferences since 2005. The United States imported \$2.2 billion under CBI tariff preferences from Trinidad and Tobago in 2012, a decrease of 16.3 percent from 2011. Imports under CBI tariff preferences from Trinidad and Tobago in 2012 were dominated by petroleum and petroleum-related products and methanol, with 55 percent of imports of these goods entering under CBI provisions. U.S. imports of petroleum and petroleum-related products under CBI preferences from Trinidad and Tobago decreased in value in 2012 due to lower volumes and a decline in the unit value for refined petroleum products, whereas imports of methanol decreased largely due to lower volume.

Haiti has been the second leading source of U.S. imports entering under CBI tariff preferences since 2009 after Costa Rica left the CBI. Apparel accounts for about 94 percent of U.S. imports from Haiti and almost all imports of apparel from Haiti enter under CBTPA or the HELP and the two HOPE Acts. Imports of apparel from Haiti at preferential tariff rates rose 33.6 percent in 2011 as Haiti recovered from the January 2010 earthquake and utilization of preferences under the HOPE Acts increased. Such imports rose further by 5.5 percent in 2012.

Jamaica replaced The Bahamas as the third leading source of U.S. imports entering under CBI tariff preferences in 2011. Prior to 2010, Jamaica had been a major U.S. source of fuel ethanol from the CBI region, but developments in global sugar markets and Brazil in 2010 and 2011 resulted in reduced supplies of the feedstock used by CBI dehydrators. As a result, there were no U.S. imports of fuel ethanol from CBI countries from April 2010 through May 2011. Once market conditions for fuel ethanol changed in mid-2011, total imports from Jamaica under CBI tariff preferences in 2011 increased by over 100 percent. Such imports rose further by 15.1 percent in 2012.

The United States continues to have a small amount of bilateral (non-CBI) trade with many of the Caribbean economies. While the overall value of imports is small, imports under CBI tariff preferences accounted for relatively significant proportions of total U.S. imports from several of these countries. Imports under CBERA as a share of total U.S. imports from each country ranged from nearly zero percent (Aruba, Antigua, and Montserrat) to as high as 82.3 percent (Belize). In addition to petroleum and other energy-related products, and apparel, products such as polystyrene (The Bahamas); electrical equipment (St. Kitts and Nevis); orange juice (Belize); pineapples, guavas and mangos (Haiti); and papayas (Belize), were imported under CBI tariff preferences from the smaller Caribbean economies.

U.S. Exports

Although the CBI was initially envisioned as a program to facilitate the economic development and export diversification of the Caribbean Basin economies, U.S. export growth to the region has been a corollary benefit. In 2011, the value of total U.S. exports to CBI countries rose 4.8 from the previous year to \$18.7 billion. In 2012, U.S. exports reached \$19.0 billion, a 1.7 percent increase year-over-year (see Table 3). Collectively, the CBI region ranked 19th among U.S. export destinations in 2012 and absorbed 1.4 percent of total U.S. exports to the world in both 2011 and 2012.

The growth in exports to CBI countries over these years is lower than what it would otherwise have been, however, because exports to the Netherlands Antilles have been excluded from the totals since October 2010, and those to Panama since October 2012. For example, U.S. exports to CBERA countries excluding Panama increased by over five percent from 2011 to 2012 (compared to 1.7 percent with Panama included for that period up until it ceased to be a CBI beneficiary in October 2012). Similarly, the decline in reported U.S. exports to CBI countries in the January to August 2013 period compared to the January to August 2012 period can be attributed to Panama exiting the program and its data no longer being included in the presented values (see: Table 1). Excluding Panama from the year-to-date analysis shows U.S. exports up nearly \$400 million in 2013 compared to the same period in 2012 (from \$7.4 billion to \$7.8 billion).

Before its exit from the CBERA program, Panama was the principal market for U.S. exports to the CBI region in 2012, followed by The Bahamas, Trinidad and Tobago, and Jamaica. These four countries accounted for almost 80 percent of U.S. exports to the CBI region in 2012. The United States exports a broad range of products to the CBI region. In 2012, the leading categories included refined petroleum products, aircraft, rice, wheat, chicken cuts, cell phones, and corn.

Table 3: U.S. Exports to CBI Countries, 2008-2012 and January-August of 2012 and 2013, Million \$¹							
Country	2008	2009	2010	2011	2012	2012 Jan-Aug	2013 Jan-Aug
Former Beneficiaries²							
Costa Rica	5,047.8	0.0	0.0	0.0	0.0	0.0	0.0
Netherlands Antilles	2,728.6	1,927.1	2,057.5	0.0	0.0	0.0	0.0
Panama	4,614.6	4,063.2	5,708.1	7,801.8	7,547.4	6,106.9	0.0
Total	12,391.1	5,990.3	7,765.6	7,801.8	7,547.4	6,106.9	0.0
January 1, 2013 Beneficiaries							
Antigua Barbuda	170.0	144.7	134.3	141.4	219.5	144.4	75.5
Aruba	629.2	404.5	497.1	659.8	651.0	372.2	540.9
Bahamas	2,697.0	2,403.3	3,160.3	3,347.9	3,533.6	2,266.9	2,238.1
Barbados	454.6	367.4	353.9	389.7	415.0	261.8	255.1
Belize	342.6	247.2	280.3	366.3	251.3	179.1	158.8
British Virgin Islands	287.4	218.6	132.7	139.3	160.1	101.8	128.3
Dominica	99.8	74.3	68.2	69.8	74.9	51.9	50.7

Grenada	81.0	55.3	65.7	73.6	66.8	37.9	49.1
Guyana	281.1	255.2	280.3	346.2	340.2	222.3	199.5
Haiti	921.7	774.2	1,183.0	1,033.2	1,037.8	669.4	837.2
Jamaica	2,557.4	1,366.6	1,552.5	1,792.2	1,862.5	1,208.9	1,266.3
Montserrat	8.0	5.5	4.3	6.3	8.0	4.2	5.8
St Kitts-Nevis	116.7	101.7	121.8	105.5	97.4	58.4	73.0
St Lucia	232.2	125.3	388.9	298.0	401.1	243.0	385.8
St Vincent and the Grenadines	81.0	74.0	81.8	76.7	93.7	63.6	58.3
Trinidad and Tobago	2,146.0	1,874.8	1,791.7	2,070.0	2,268.9	1,510.7	1,455.0
Total	11,105.6	8,492.5	10,096.7	10,916.0	11,482.0	7,396.7	7,777.5
Grand Total	23,496.7	14,482.9	17,862.4	18,717.8	19,029.3	13,503.6	7,777.5

¹ Domestic exports, free alongside ship (F.A.S.) value.

² Values for U.S. trade with CBERA countries include individual country trade data only for those months in the period during which those countries were eligible for CBERA benefits. For clarity, the term “former beneficiaries” in this table refers to: Costa Rica, which ceased to be a beneficiary country upon entry into force of the CAFTA-DR for Costa Rica on January 1, 2009; the Netherlands Antilles, which was dissolved as a political entity on October 10, 2010; and Panama, which ceased to be a beneficiary upon entry into force of the United States-Panama Trade Promotion Agreement on October 31, 2012.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Eligibility Criteria

The trade preferences made available under CBI represent a unilateral, non-reciprocal grant of benefits to U.S. trading partners in Central America and the Caribbean. In enacting the CBERA and CBTPA, as well as the HOPE and HELP Acts, the Congress established eligibility criteria for the receipt of these trade preferences. This chapter reviews the CBERA and CBTPA eligibility criteria, as well as the recent performance of CBI beneficiary countries in meeting these criteria.

The eligibility criteria for the CBI programs fall within three broad categories:

- “mandatory” factors defined in the CBERA as precluding the President from initially designating a country or dependent territory as a CBERA beneficiary;
- additional, discretionary factors which the President is required to take into account in determining whether to designate countries or dependent territories as beneficiaries under the CBERA; and
- further criteria which the President is required to take into account in designating beneficiary countries or dependent territories for purposes of receiving the enhanced trade preferences of the CBTPA.

CBERA “Mandatory” Criteria

Communist Country: A country or dependent territory cannot be designated as a CBERA beneficiary country “if such country is a Communist country.” No Communist country requested designation, and none of the current CBI countries is a Communist country.

Nationalization/Expropriation: The CBERA stipulates that countries that have expropriated or nationalized property of U.S. citizens are ineligible for CBI benefits, unless the President determines that the country is taking steps to resolve the citizen’s claim. Questions about expropriation have arisen in this context, and the United States is currently exploring this issue, as reflected in the country reports that follow.

Arbitral Awards: If a country or dependent territory fails to act in good faith in recognizing as binding or enforcing arbitral awards in favor of U.S. citizens or corporations owned by U.S. citizens, such country or dependent territory cannot be designated as a CBERA beneficiary. Questions about recognizing and enforcing arbitral awards have arisen in this context, and the United States is currently exploring this issue, as reflected in the country reports that follow.

Reverse Preferences: If a country affords preferential treatment to the products of a developed country other than the United States, that has or is likely to have a significant adverse effect on U.S. commerce, it is ineligible for designation as a CBERA beneficiary.

On December 16, 2007, the European Commission initialed an Economic Partnership Agreement (EPA) with Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, the Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Lucia, Saint Vincent and the Grenadines, Saint Kitts and Nevis, Suriname, and Trinidad and Tobago (the CARIFORUM countries). The EPA was signed on October 15, 2008, with Guyana signing on October 20, 2008, and Haiti signing on December 11, 2009.

In 2012, total U.S. trade (exports plus imports) with CBERA countries was about 0.8 percent of total U.S. trade with the world. CBERA countries accounted for 1.4 percent of total U.S. exports and 0.5 percent of total U.S. imports in 2012. Although the CBERA countries account for a relatively small share of U.S. exports, the Administration will continue to monitor trade flows and evaluate the effects of the EPA on U.S. commerce.

Expropriation of Intellectual Property: The CBERA excludes from designation any countries that have taken steps to repudiate or nullify any patent, trademark or other intellectual property of a United States citizen when the effect is to nationalize, expropriate or otherwise seize ownership or control of such property.

Extradition: The CBERA requires that a country be a signatory to a treaty, convention, protocol, or other agreement regarding the extradition of U.S. citizens.

Worker Rights: The CBERA excludes from designation any country which “has not or is not taking steps to afford internationally recognized worker rights...to workers in the country.” The President is also authorized to give discretionary weight, in designating CBI beneficiaries, to the question of whether or not a country has taken or is taking steps to afford workers internationally recognized worker rights. These factors were modified and broadened in the context of country designation criteria under the CBTPA (see below).

CBERA “Discretionary” Factors

Desire to Be Designated: Twenty-two countries and dependent territories are potentially eligible to receive benefits under the CBERA (and, by extension, the CBTPA). However, the CBERA requires that the President, in designating beneficiary countries, take into account an expression of a country’s desire to be so designated.

Economic Conditions: As part of the initial designation of CBERA beneficiaries, the President is authorized to consider economic conditions and living standards in potential CBI countries. Nearly 30 years since the enactment of CBERA, the United States maintains a strong interest in conditions of economic development in the Caribbean and Central American countries. The country reports contained in this chapter briefly review current conditions in CBI beneficiary countries.

Market Access/WTO Rules: The CBERA authorizes the President to consider the extent to which a country has assured the United States that it will provide equitable and reasonable access to the markets and basic commodity resources of the country and the degree to which the country follows the international trade rules of the WTO. The eligibility criteria of the CBTPA elaborate

on these factors, with a focus on implementation of WTO commitments and participation in negotiations to create a Free Trade Area of the Americas. These factors are examined in the country reports which follow.

Use of Export Subsidies: CBERA requires consideration of “the degree to which a [beneficiary country] uses export subsidies or imposes export performance requirements or local content requirements which distort international trade.”

Contribution to Regional Revitalization: CBERA’s discretionary factors include consideration of the degree to which the trade policies of an individual CBI country contribute to the revitalization of the region as a whole. Countries in the Caribbean Basin have continued, for the most part, to implement policies that have advanced regional economic development and growth. With few exceptions, countries have continued to reform their economies and liberalize trade and investment regimes.

Self-Help Measures: This criterion seeks assurances that countries in the region are taking steps to advance their own economic development. With varying degrees of success, all current CBI countries appear to be pursuing policies intended to improve the economic prospects of their citizens.

Intellectual Property/Broadcast Copyright Violations: The President shall take into account the extent to which a country provides adequate and effective legal means for foreign nationals to secure, exercise, and enforce exclusive intellectual property rights, and the extent to which a country prohibits its nationals from broadcasting U.S. copyrighted materials, including film and television material, without their express consent.

Cooperation in Administration of the CBERA: CBERA beneficiaries have continued to cooperate in the administration of CBI preferences when requested by the U.S. government.

CBTPA Eligibility Criteria

In considering the eligibility of the CBI countries and dependent territories that have expressed an interest in receiving the enhanced preferences of the CBTPA, the President is required to take into account the existing eligibility criteria of the CBERA, as well as several additional or revised criteria elaborated in the CBTPA. These additional criteria are:

- whether the beneficiary country has demonstrated a commitment to undertake its obligations to the WTO on or ahead of schedule and participate in the negotiations toward the completion of the Free Trade Area of the Americas (FTAA) or another free trade agreement;
- the extent to which the country provides protection of intellectual property rights consistent with or greater than the protection afforded under the TRIPS Agreement;
- the extent to which the country provides internationally recognized worker rights, including:

- the right of association;
 - the right to organize and bargain collectively;
 - a prohibition on the use of any form of forced or compulsory labor;
 - a minimum age for the employment of children; and
 - acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;
- whether the country has implemented its commitments⁸ to eliminate the worst forms of child labor;
 - the extent to which the country has met U.S. counternarcotics certification criteria under the Foreign Assistance Act of 1961;⁹
 - the extent to which the country has taken steps to become a party to and implement the Inter-American Convention Against Corruption (IACAC); and
 - the extent to which the country applies transparent, nondiscriminatory and competitive procedures in government procurement and contributes to efforts in international fora to develop and implement rules on transparency in government procurement.

⁸ These commitments are defined in 29 U.S.C. 2467(6).

⁹ The Narcotics Certification Process was modified as a result of the Foreign Relations Authorization Act, FY 2003 (FRAA), signed into law on September 30, 2002. As a result, the President has the option of submitting a consolidated report identifying all major illicit drug producing and drug-transit countries and designating those countries that have failed to comply with specified criteria. The President also retains the option to use the previous system involving an affirmative certification of cooperation.

Country Reports: Compliance with Eligibility Criteria

The country reports contained in this section focus particular attention on current performance of CBI beneficiary countries with respect to the eligibility criteria reflected in the CBTPA, as CBTPA is the most recent expression of U.S. policy objectives linked to the extension of CBI benefits. The pre-existing eligibility criteria of the CBERA are also reflected in the country reports, where relevant. Population figures are drawn from *The World Factbook* (Central Intelligence Agency, 2012) (“*CIA World Factbook*”). Unless otherwise noted, the per capita gross domestic product (GDP) figures refer to the most recent data available in the *CIA World Factbook*. GDP per capita is GDP on a purchasing power parity basis divided by population as of July 1 of the reported year. Trade data are cited in U.S. dollars (customs basis) and are compiled from official statistics of the U.S. Department of Commerce.

Aruba

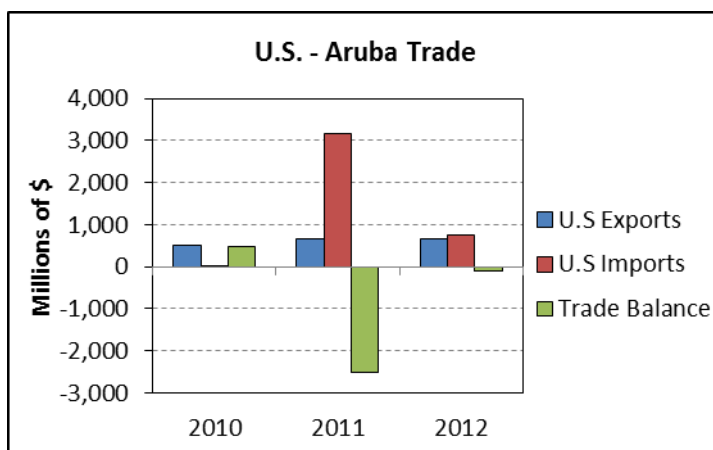
Population: 109,153
(July 2013 est.)

Per Capita GDP: \$25,300 (2011 est.)

Department of Commerce 2012

Trade Statistics

U.S. Exports	651,042,307
U.S. Imports	746,639,767
U.S. Trade Balance	-95,597,460



Economic Review: Between 2003 and 2007, real GDP growth in Aruba averaged approximately three percent per year. Since 2008, however, Aruba's economy has suffered. According to the International Monetary Fund (IMF), over 80 percent of the Aruban economy depends on tourism, which fell sharply during the economic downturn. In addition, Aruba's oil refinery shut down operations in July 2009. Overall, real GDP fell by 1.2 percent in 2012, making Aruba's slump one of the most severe in the Caribbean. Unemployment has come down since 2009 but remains high at 9.5 percent as of the end of 2012.¹⁰

Real GDP contracted by 2.4 percent on average from 2008 to 2012. Deficit spending has been a staple in Aruba's history, and inflation has averaged 3.28 percent per year in the 2006-2012 period according to the Government of Aruba's Central Bureau of Statistics. The rapid growth of the tourism sector over the last two decades has resulted in a substantial expansion of other activities. Some 1.5 million tourists per year visit Aruba, with approximately 75 percent (2012) of those from the United States.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: Aruba is an autonomous member of the Kingdom of the Netherlands. While external affairs are handled by the Kingdom, Aruba handles its own trade and economic affairs and is a member of the WTO through the Kingdom of the Netherlands. The Kingdom's membership in the WTO enables Aruba to participate in WTO deliberations, but not to exercise independent voting rights.

Provision of Internationally Recognized Worker Rights: Unemployment in Aruba is approximately 9.5 percent (2012). Internationally recognized workers' rights are generally provided for under Aruban law. Labor unions are strong in most sectors of the economy. Laws protecting children and workers' rights are actively enforced. Aruba also recently revised its penal code to eliminate a provision that prohibited civil servants from participating in strikes.

¹⁰ International Monetary Fund, Concluding Statement of the 2013 Article IV Consultation Mission.

Protection of Intellectual Property: The law governing intellectual property in Aruba is based on Dutch law, but is not as far-reaching as that in the Netherlands. Trademarks, patents and copyrights are currently available under the law of Aruba. The work of registering all intellectual property rights in Aruba is carried out by the Bureau of Intellectual Property. Although copyright is protected under the law, the government does not enforce copyrights so film and music piracy are prevalent. The Telecommunications Act provides that all entities that retransmit broadcast signals must be licensed, but that rule is not enforced either.

Counternarcotics Cooperation: The President has not identified Aruba as a major drug transit or major illicit drug producing country under the provisions of the Foreign Relations Authorization Act, Fiscal Year 2003 (FRAA). According to 2013 State Department International Narcotics Control Strategy Report, Aruba's police force, the Korps Politie Aruba (KPA), continues to evolve into a regional leader in the fight against narcotics trafficking and international criminal organizations. The Organized Crime Unit of the KPA conducted several successful investigations in 2012, which led to multi-kilogram cocaine seizures and the arrest of multiple subjects. In addition, the Kingdom of the Netherlands maintains support for counternarcotics efforts by continuing to support U.S. Forward Operating Locations in Curacao and Aruba.

Implementation of the Inter-American Convention Against Corruption: As it is not a sovereign state, Aruba is not a member of the Organization of American States.

The Bahamas

Population: 319,031

(July 2013 est.)

Per Capita GDP: \$31,900 (2012 est.)

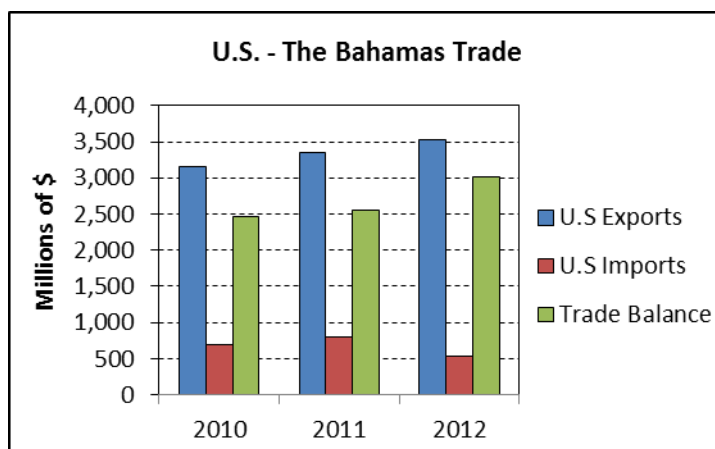
Department of Commerce 2012

Trade Statistics

U.S. Exports \$3,533,618,643

U.S. Imports \$524,474,563

U.S. Trade Balance \$3,009,144,080



Economic Review: The Bahamas is an import and services-based economy. Tourism, together with tourism-driven construction and manufacturing, accounts for approximately 60 percent of the country's GDP. Financial services and business services collectively contribute another 36 percent of the country's GDP. The economy contracted at an average rate of about 0.5 percent annually between 2007 and 2011, but is slowly starting to rebound. Tourism arrivals in 2012 increased by six percent over the previous year, though arrivals decreased by 7.3 percent in the first eight months of 2013. According to the IMF, real output grew by 1.8 percent in 2012 and is expected to grow by an additional 1.9 percent in 2013. There are some expectations that large scale investments in the tourism sector will continue to drive growth. After a slight decline in unemployment in 2012 to 14 percent, the national unemployment rate is now at its highest level in a decade at 16.2 percent. A May 2013 national labor force survey indicated that the island of Grand Bahamas peaked at 19 percent unemployment and almost 30 percent of those under the age of 20 were unemployed.

The Bahamas imports nearly all of its food and manufactured goods, most of which originate in the United States. The trade benefits provided under CBI have substantially assisted with Bahamian exports of spiny lobster, polystyrene, aragonite, seasonal fruits and salt into the United States.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: The Bahamas has made some progress in the WTO accession process since its Working Party was established in 2001. In April 2009, The Bahamas' Memorandum on the Foreign Trade Regime (MFTR) was circulated, and WTO Members were asked to review it and submit questions and comments on The Bahamas trade regime. The first meeting of the Working Party was held in September 2010 and the third meeting is expected early in 2014. In preparation for WTO membership, The Bahamas introduced omnibus legislation in 2013 to address many deficiencies within its trade regime. The Bahamas also undertook efforts to reform the tax system and aggressive efforts are being made to introduce a value added tax by July 2014. In 2008, The Bahamas became signatory to the Economic Partnership Agreement (EPA) and in June 2013 created an implementation unit within the Ministry of Trade. The

agreement between the member states of CARICOM and the European Union is The Bahamas' first negotiated reciprocal trade agreement.

Protection of Intellectual Property: Prior to October 2009, The Bahamas maintained a compulsory licensing system for television broadcasting that allowed Bahamian cable operators to retransmit any copyrighted television programming, including for-pay programming, whether or not transmitted from The Bahamas or outside of The Bahamas and whether or not encrypted. That system provided the legal basis for Cable Bahamas to extract and distribute encrypted copyrighted content from the U.S. satellite providers without having entered into agreements with the content providers. In September 2009, following consultations with U.S. officials and industry representatives, The Bahamas implemented the Copyright Amendment Act - 2004. The Bahamas had not previously allowed the 2004 amendment to enter into force. This amendment narrowed the scope of the compulsory licensing regime for the reception and transmission of copyright works broadcast free over-the-air. Earlier this year a long standing dispute between HBO and The Bahamas Copyright Royalty Tribunal was successfully resolved. There are pending issues related to copyright enforcement for musical composers and some concern over the slow processing of royalty payments.

The government of The Bahamas passed legislation on July 7, 2011 to strengthen its ability to enforce intellectual property rights. Parliament approved the Customs Management Bill which contains measures allowing Customs to confiscate counterfeit goods at the border or to detain and dispose of them in the country. In September 2011, Bahamian government officials visited the Straw Market (an open-air forum for vendors to sell handicrafts and tourist items) to stress the importance of intellectual property rights and discourage the sale of counterfeit items. Nevertheless, enforcement remains lax and anecdotal evidence suggests that there is significant local trade in the buying and selling of pirated movies, songs and fabricated high-end purses. The Bahamian government has taken some steps to strengthen intellectual property rights (IPR) protection as part of its WTO accession process.

Provision of Internationally Recognized Workers Rights: The Bahamas' Constitution protects the right of workers to organize and join unions and this right is widely exercised. However, members of the police force, defense force, firefighters and prison guards may not join or organize a union. About one-quarter of the workforce as a whole is unionized, although 80 percent of the workforce in the hotel industry is unionized. The Bahamian Constitution and the Industrial Relations Act requires employers to recognize trade unions and prohibits discrimination or reprisals against workers for engaging in union activities. The government has ratified ILO Conventions 87 and 98 on freedom of association and collective bargaining, Conventions 29 and 105 on the elimination of forced and compulsory labor, Conventions 138 and 182 on the abolition of child labor and Conventions 100 and 111 on elimination of discrimination in respect to employment and occupation. The government generally enforces labor laws and regulation uniformly throughout the country. There have been, however, periodic reports of union suppression and union busting.

Employees are compensated for work-related injuries by the national insurance program. According to the Fair Labor Standards Act, victims of industrial accidents are entitled to keep their job in a suitable alternative capacity if they are able to work. Conversely, workers have no

legal right to remove themselves from hazardous work situations without penalty. Labor laws stipulate that children under the age of 14 may not engage in industrial work and only those over 16 are allowed to work at night. There are no other requirements, and some children work part time in light industry and service jobs. The Bahamian Constitution protects against any form of forced labor.

In 2000 the minimum wage for public sector workers was increased from \$4.12 to \$4.45 per hour, or \$190 per week. The Minimum Wage Act 2002 mandated that a minimum wage of \$4 per hour, \$30 per day or \$150 per week for all private sector workers. However, most private sector companies follow public sector minimum wage standards. According to the ILO, wages set by decentralized collective bargaining may not be lower than the minimum wage set by the government. The law currently provides for a 40 hour work week and requires a 24 hour rest period between work weeks. Additional hours are compensated at time and a half.

Commitments to Eliminate the Worst Forms of Child Labor: The Bahamas ratified ILO Convention 182, addressing the worst forms of child labor, on June 14, 2001. However, the Optional Protocol to the Convention on the Sale of Children, Child Prostitution and Child Pornography has not been ratified. Though a high level of child labor continues to be a concern, The Bahamas' National Child Protection Council has an action plan and has developed a national protocol with regard to the public policies related to the commercial sexual exploitation of children.

Currently, the laws of The Bahamas allow for minors to be employed. According to labor provisions governing children, a child should not work while school is in session and children under the age of 16 may not work at night. However, children between the ages of 14 and 17 are allowed to work up to three hours per day on school days and up to 24 hours per week during the academic year. When school is not in session, children are not allowed to work more than eight hours per day and 40 hours per week.

The Ministry of Labor and National Insurance has a program in place to investigate and address complaints relating to allegations of abuse of child labor. Additionally, labor officers are periodically sent to food stores and various places to ensure that there are no abuses of children or violations of the regulations governing their employment.

A number of civic organizations and churches have programs in place to provide meaningful activities to protect children from abusive labor situations. However, these programs are somewhat limited. Some children in The Bahamas become victims of child labor, particularly among the undocumented migrant communities.

Counternarcotics Cooperation: The President has identified The Bahamas as a major drug-transit country in accordance with the FRAA. The Bahamas was not, however, designated as having "failed demonstrably" to make substantial efforts during the previous 12 months to adhere to international counternarcotics agreements and to take measures specified in U.S. law.

The Bahamas is a major transit point for cocaine from South America and marijuana from Jamaica bound for both the U.S. and Europe. The Bahamas cooperates closely with the United

States, including participating in Operation Bahamas, Turks and Caicos Island (OPBAT), to stop the flow of illegal drugs through its territory. The government also targets Bahamian drug trafficking organizations, in order to reduce the local demand. The Bahamas is a party to the 1988 United Nations Drug Convention.

The Bahamas is partnering with the other nations of the Caribbean and the United States to combat the drug trade and other transnational crime that threatens regional security. This shared security partnership has received new attention and commitment under the auspices of the Caribbean Basin Security Initiative (CBSI), a multi-year U.S. assistance program that focuses on supporting citizen safety programs and regional security institutions. The goals of CBSI relative to The Bahamas are to: stem the flow of illegal drugs through The Bahamas and into the United States; dismantle drug trafficking organizations; and strengthen Bahamian law enforcement and judicial institutions to make them more effective and self-sufficient in combating drug trafficking, money-laundering and other transnational crimes.

Implementation of the Inter-American Convention Against Corruption: The Bahamas is a party to the IACAC. Bribery of government officials is a criminal act, and credible reports of major corruption in The Bahamas are rare, although allegations of improper conduct on the part of government officials surface from time to time.

Transparency in Government Procurement: Other than occasional anecdotal evidence to the contrary, the government appears to apply transparent, nondiscriminatory and competitive government procurement procedures. The Bahamas dependence on financial support from the Inter-American Development Bank has facilitated greater transparency as IDB rules apply to disbursements. Membership in the Economic Partnership agreement and pending accession to the WTO has resulted in the government adopting new measures and draft legislation has been tabled to ensure compliance with best international practice. Since The Bahamas is not a member of the WTO, it is not a signatory of the WTO Agreement on Government Procurement.

Extradition: The Government of The Bahamas has ratified the 1987 Treaty on Mutual Legal Assistance in Criminal Matters and the 1990 Extradition Treaty with the United States. The Bahamas and the United States cooperate closely on extradition matters.

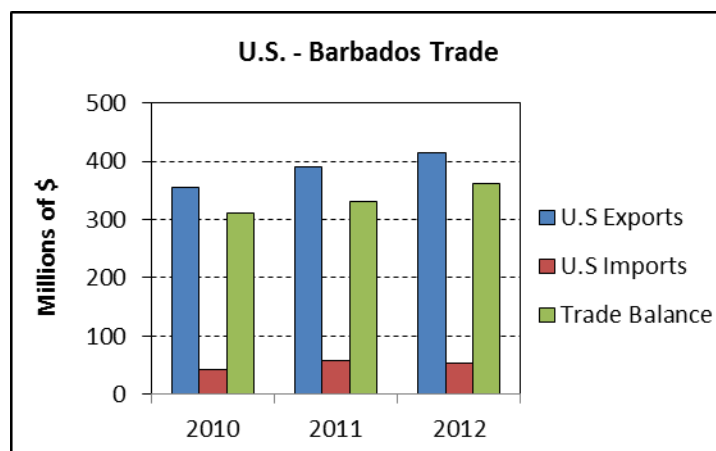
Barbados

Population: 288,725
(July 2013 est.)
Per Capita GDP: \$25,800 (2012
est.)

Department of Commerce 2012

Trade Statistics

U.S. Exports	\$414,970,203
U.S. Imports	\$53,899,590
U.S. Trade Balance	\$361,070,613



Economic Review: The global economic crisis affected all of the key economic sectors in Barbados, including tourism, financial services, and construction. Real GDP in Barbados grew a modest 0.4 percent in 2008 before contracting by 4.1 percent in 2009. Since then, real annual output growth has not surpassed one percent. The weak economy has led to a steady increase in unemployment, which reached an estimated 11.2 percent in 2012, up from 7.4 percent in 2007. High energy costs, debt service, and high levels of government spending have produced chronic fiscal deficits. Barbados's debt levels are high at 86 percent of GDP in 2012. Growth prospects for the Barbadian economy remain weak.

Barbados's tourism sector suffered from the effects of the global slowdown, but has begun to show signs of recovery. From 2007 to 2009, the number of tourist arrivals fell by 9.5 percent, but the number of arrivals grew by 2.6 percent in 2010, 6.7 percent in 2011, and by 5.5 percent in 2012. Through the first nine months of 2013 arrivals are up 6.2 percent year-over-year. Because of the important role that tourism plays in the economy, the contraction affected various sectors, including transportation, wholesale and retail, and construction. In 2011, inflation reached 9.4 percent, largely due to high international oil and food prices. The upward pressure on prices has moderated, and by the end of 2012 had declined to 2.5 percent. The IMF projects that the unemployment rate, 7.4 percent in 2007, will hit 12 percent by the end of 2013.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: Barbados, as is the case with many other Caribbean countries, has its tariffs bound at high levels. In WTO negotiations, Barbados is a vocal advocate of special and differential treatment for small-island developing states.

Protection of Intellectual Property: Barbados' IPR-related legislation was amended in 2006 to make it more compatible with the provisions of the TRIPS Agreement. Enforcement, however, is problematic. There is anecdotal evidence that Barbadian shops openly sell and rent pirated CDs, videos, and DVDs. The Office of the U.S. Trade Representative placed Barbados on the Watch List of the Special 301 Report for 2013 for its failure to ensure that cable operators and broadcasters pay for the public performance of U.S. copyrighted materials.

Provision of Internationally Recognized Worker Rights: Barbados has ratified all eight of the ILO Core Labor Conventions. These eight are Conventions 87 and 98 on freedom of association and collective bargaining, Conventions 29 and 105 on the elimination of forced and compulsory labor, Conventions 138 and 182 on the abolition of child labor, and Conventions 100 and 111 on the elimination of discrimination in respect of employment and occupation.

In Barbados, workers exercise the legal right to form and belong to trade unions, as well as to organize and bargain collectively. Negotiated protocols contained provisions for increases in basic wages and increases based on productivity. Government, private sector, and labor representatives signed a sixth such protocol on May 11, 2011. The Social Partnership Agreement provides for monthly meetings of labor, management, and government and is chaired by the prime minister or the minister responsible for labor affairs. The Trade Union Act governs trade union activities. Under the act, companies are not obligated to recognize unions or to accept collective bargaining. Although employers were under no legal obligation to recognize unions, most did so when a significant percentage of their employees expressed a desire to be represented by a registered union.

The Shop Keepers Act provides for, and the authorities established, minimum wage rates for specified categories of workers. The categories of workers with a formally regulated minimum wage are household domestics and shop assistants. The minimum wage for these employees was BDS5 (approximately \$2.50) per hour, which was only marginally sufficient to provide a decent standard of living for a worker and family. The Ministry of Labor recommended companies use this as the *de facto* minimum wage, and the prevailing wage on the island is higher than the legal minimum wage.

Barbados' Employment Rights Act of 2012 establishes new provisions for the rights of employed persons and specific workers' rights such as: the right to be consulted before being laid off and the right to priority re-hiring in certain cases; and the right not to be unfairly dismissed.

Commitments to Eliminate the Worst Forms of Child Labor: The Employment (Miscellaneous Provisions) Act sets the minimum employment age at 16 for certain sectors including mines, quarries, manufacturing, construction and demolition work. Other sectors, particularly agriculture, are not covered. The Employment (Miscellaneous Provisions) Act also prohibits children under age 18 from engaging in any work likely to harm their safety, health or morals. However, the Act does not specify the types of work this prohibition refers to and research found no indication of such a list elsewhere in the country's laws or regulations.

The National Committee on Child Labor is responsible for coordinating efforts to abolish child labor in the country. Child labor subcommittees exist to support interagency cooperation to harmonize legislation, develop a child-labor survey instrument and implement educational and mass media program on child labor. The Ministry of Labor is responsible for enforcing child labor laws. It has 19 inspectors to investigate possible violations of the Employment Act. No cases of child labor violations were reported within the past year. The Royal Barbados Police Force has taken the lead in investigating trafficking complaints.

According to the Department of Labor's *2012 Findings on the Worst Forms of Child Labor*, while the worst forms of child labor do not appear to be a significant problem in Barbados, the Government does not have an adequate legislative and policy framework to combat commercial sexual exploitation of children.

Counternarcotics Cooperation: The President has not identified Barbados as a major drug transit or major illicit drug producing country under the provision of the FRAA.

The Royal Barbados Police Force (RBPF) has a Drug Squad which is guided by the Barbados National Anti-Drug Plan. The National Plan outlines the policies, goals, strategies and legislation to combat narcotics trafficking. The Drug Squad management focuses on major traffickers, although it does monitor street "mules" and low level drug traffickers as well. The Drug Squad has a priority mandate to cooperate and share information and intelligence with regional and international counterparts, with the main intelligence focus on major traffickers and organizations. It works closely with the Regional Security Systems (RSS) Air Wing, the RBPF Marine Unit, and the Barbados Coast Guard.

Recent trends in cocaine smuggling suggest that the Venezuelan drug trafficking rings have fostered relationships with local Barbados-based organizations to facilitate trafficking. Meetings between these organizations have involved arranging for drops of cocaine by foreign vessels at predestined global positioning system coordinates for retrieval by local vessels at sea.

Implementation of the Inter-American Convention Against Corruption: Barbados signed the IACAC in April 2001 but has not yet ratified it.

Transparency in Government Procurement: The government, through the Ministry of Finance's Special Tenders Committee, follows competitive bidding standards for most contracts and acquisitions. The procurement function as performed by statutory bodies and public companies is governed by the statutes enabling the establishment and operation of statutory bodies and the Companies Act, respectively. A centralized Tenders Committee (TC), established under the Financial Administration and Audit (Financial Rules) 1971, oversees the procurement process in respect of goods and services above specified limits. Within these specified limits, and with the exception of the procurement of drugs and pharmaceuticals, the Cabinet is the sole approving authority for procurement outside the ambit of the TC.

Barbados is not a signatory of the WTO Agreement on Government Procurement.

Belize

Population: 334,297

(July 2013 est.)

Per Capita GDP: \$8,900 (2012 est.)

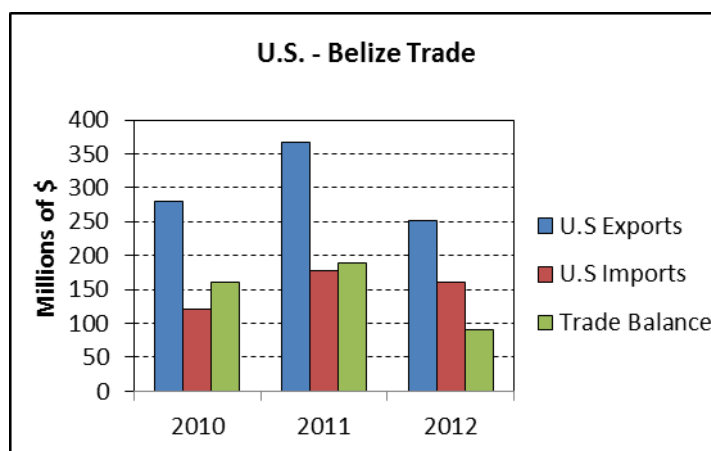
Department of Commerce 2012

Trade Statistics

U.S. Exports \$251,319,985

U.S. Imports \$160,361,912

U.S. Trade Balance \$90,958,073



Economic Review: As a result of the global slowdown, natural disasters, and a temporary drop in the price of oil, Belize experienced no growth in 2009. Since then, the economy has slowly improved. In 2012, real output grew by 5.3 percent. Half (\$544 million) of external debt was restructured in January 2013. Inflation averaged 1.4 percent in 2012. The IMF reports that after two years of decline, credit to the private sector recovered in 2012. For 2013, the IMF expects output growth to moderate to about 2.5 percent as the prices for the main export crops stabilize and crude oil production continues to contract. According to the Belize Statistical Institute, the 2012 unemployment rate was 14.4 percent, with a 9.2 percent unemployment rate for men and 22.3 percent rate for women.

Nationalizations, high national debt, and a worsening crime situation negatively affected the investment climate. The current economic situation has also sparked concern about the rising poverty rate, which a 2010 assessment placed at 40 percent. Low foreign currency reserves, combined with large current account deficits, pose a risk to external stability. In addition, Belize's five major domestic banks have concerns about the percentage of non-performing loans in the banking system.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: Although Belize has been a WTO member since January 1, 1995, the country rarely participates in WTO deliberations. This is primarily due to the fact that Belize remains one of the few Caribbean countries with non-resident diplomatic representation to the WTO, through its mission in Belgium. Belize also faces difficulties in implementing WTO agreements due to limited staff in the government's trade directorate.

Belize's current legal framework allows for three export subsidy programs: export processing zones, fiscal incentives, and commercial free zones. Belize is working to modify these programs by the end of 2015 so that subsidies are no longer contingent on export performance. The Government of Belize has begun a country-wide consultative process with stakeholders (including the beneficiaries of all three programs) to inform them of changes to the programs.

Protection of Intellectual Property: Ineffective enforcement of IPR laws is a problem. Private television stations frequently broadcast copyrighted materials without permission. Local cable television providers broadcast U.S. based channels without permission and music and video stores in Belize continue to carry pirated CDs and DVDs for sale or rent with no government intervention. Local importers, particularly those operating in the commercial free zone in Northern Belize, continue to bring in counterfeit merchandise bearing U.S. trademarks. Many of these goods originate in China or Panama and pass through Belize's Corozal Free Zone to Mexico and other regional markets. However, on October 1, 2103, Belize Customs conducted a major operation in cooperation with rights owners and U.S. Department of Homeland Security that resulted in the detention of three shipping containers of China-origin filled with falsely declared and counterfeit products. Although another container was released due to mistaken application of trademark law and a fifth container was not located, this was still the largest seizure of counterfeit goods ever in Belize.

The Belize Intellectual Property Office (BELIPO), established in 2001, is the regulatory agency that administers Belize's intellectual property laws. This office is required to process IPR-related applications and registrations, to undertake educational campaigns that target the general public as well as government agencies, and to provide specialized legal advice to government authorities.

Provision of Internationally Recognized Worker Rights: Belize has ratified all eight of the ILO core labor conventions. These eight are Conventions 87 and 98 on freedom of association and collective bargaining, Conventions 29 and 105 on the elimination of forced and compulsory labor, Conventions 138 and 182 on the abolition of child labor, and Conventions 100 and 111 on the elimination of discrimination in respect of employment and occupation.

The Constitution of Belize provides for freedom of assembly and association. The Trade Union and Employee's Organizations Act of 2000 allows for the registration and establishment of trade unions and employer organizations, and encourages orderly and effective collective bargaining. The Ministry of Labor recognizes unions and employee associations after they are registered. Both law and practice effectively protect unions against dissolution or suspension by administrative authority. The law prohibits antiunion discrimination, but according to the 2012 International Trade Union Confederation, limitations on the exercise of collective bargaining persist and there are no unions in export processing zones. In practice some employers have obstructed union organization by terminating the employment of a union member for reasons unrelated to union activities.

The Constitution of Belize prohibits slavery and forced labor. The Labor Act of Belize states that no person shall impose forced or compulsory labor as a means of political coercion, punishment, ethnicity, or religion. The Labor Act also prohibits the employment of children under age 14. Persons ages 14 to 18 may only be employed in an occupation that a labor officer has determined is "not injurious to the moral or physical development of non-adults." Children under age 16 are excluded from work in factories and those under age 18 are excluded from working at night or in certain kinds of employment deemed dangerous. The Belize National Child Labor Policy has an indicative list of hazardous occupations for young workers.

The Ministry of Labor is responsible for enforcing the minimum wage, and in August 2010, the national minimum wage was adjusted to an across-the-board minimum wage of BZ\$3.30 (US\$1.70) per hour. This new adjustment covers four categories of workers including unskilled workers in the citrus industry, manual workers, shop assistants, and domestic workers. The law sets the workweek at no more than six days or 45 hours and requires payment for overtime work. The agricultural sector continues to utilize undocumented Central American workers during land preparation and harvesting. Belize employers are obligated to take reasonable care for the safety of employees in the course of their employment. In cases where employers provide lodging, employers are required to provide and maintain sufficient and hygienic housing accommodations, access to clean water, and proper sanitary arrangements.

Commitments to Eliminate the Worst Forms of Child Labor: According to the Department of Labor's 2012 *Findings on the Worst Forms of Child Labor*, some children in Belize are engaged in the worst forms of child labor. Children in rural areas are also reported to work in agriculture after school, on weekends and during vacations. Work in agriculture commonly involves hazardous activities such as using dangerous machinery and tools, carrying heavy loads and applying harmful pesticides. Children in Belize are also involved in commercial sexual exploitation and trafficking. Children of both sexes are involved in prostitution, and sex tourism is an emerging problem in Belize.

In 2012, the Government enacted a new Trafficking in Persons law, which increases the penalties for offenders to up to 12 years' imprisonment if the victim is a child. The Government also enacted the Commercial Sexual Exploitation of Children Act, which provides all children under the age of 18 with protections from such criminal offenses. Belize has not formally adopted a list of hazardous occupations and labor inspectors still lack resources to enforce child labor laws adequately.

Belize's National Child Labor Committee (NCLC) consists of 15 officials, drawn from government and civil society. The NCLC advocates for legislation and policy action to more fully prohibit the worst forms of child labor and achieve effective prosecution of such acts. During 2010, the NCLC trained committee members on child labor issues, outlined roles and responsibilities and worked to improve coordination among ministries to address child labor issues. The NCLC implements the Government's National Child Labor Policy, which provides guidance and direction regarding the elimination of all forms of child labor, especially the worst forms. The policy seeks a multi-sectoral approach to combat exploitative child labor through consultations between governmental agencies, non-governmental organizations (NGOs) and other relevant organizations.

The Government of Belize has worked with the tourism industry to advance a code of conduct in an effort to eliminate child sex tourism. Public service announcements in multiple languages and posters have been distributed by the government in a campaign against trafficking.

Counternarcotics Cooperation: The President has identified Belize as a major drug transit or major illicit drug producing country under the provision of the FRAA. Belize was not, however, designated as having "failed demonstrably" to make substantial efforts during the previous 12

months to adhere to international counternarcotics agreements and to take measures specified in U.S. law. Belize is a major transshipment country for cocaine and precursor chemicals used in the production of synthetic drugs. Due to its position along the Central American isthmus, Belize is susceptible to the transshipment of cocaine between drug producing countries in South America and the United States, as well as chemicals bound for processing into finished drugs in Mexico.

Through the provision of equipment, training, and technical assistance, including through the Central America Regional Security Initiative, the United States bolstered Belize's efforts to disrupt and decrease the flow of narcotics, weapons, and illicit proceeds generated by sales of illegal drugs, and to confront gangs and criminal organizations in 2012. U.S. support included infrastructure upgrades, training, and the provision of equipment for the Belize Defense Force. The United States provided funding to implement an interconnected Personal Identification and Registration System at all immigration offices, land, sea and air border posts in Belize. The project will install a computerized information management system designed to detect and register all entries and exits of persons, and strengthen the capacity of immigration services to more efficiently manage the country's borders.

Implementation of the Inter-American Convention Against Corruption: Belize signed the IACAC in June 2001 and deposited its instrument of ratification in September 2002.

The Prevention of Corruption Act of 2007 provides measures for establishing integrity and accountability in public life and applies to members of the National Assembly, and members of municipal councils. The Act requires that statements of assets, income, and liabilities must be publically disclosed. The Act empowers the Belize Integrity Commission with investigative measures to combat corruption. Penalties for non-compliance with disclosure range from a fine of not less than \$1,500 and/or imprisonment for one year. Enforcement is weak, and less than 25 percent of parliamentarians and public officials comply with the Act's public disclosure requirement. The government of Belize maintains an Office of the Ombudsman to investigate allegations of official corruption and official wrongdoing, but to date the Ombudsman has yet to file a single prosecution for official corruption.

Transparency in Government Procurement: The Finance and Audit (Reform) Act, 2005 repealed the previous Finance and Audit Act Chapter 15 of the Substantive Laws of Belize 2000-2003. The 2005 Act provides better standards to ensure regulation of public revenue, expenditure, and contracting. Government purchases of over \$50,000 must be submitted to public bidding by both local and foreign companies. Belize is not a signatory of the WTO Agreement on Government Procurement.

Additional Issues

Nationalization/Expropriation: There are a limited number of cases in which the government of Belize has exercised its right of eminent domain to expropriate real estate property, including some cases of some foreign investors. Several cases arose because of the landowner not being resident in Belize for many years and changes to the law after Belize gained independence in 1981.

In 2004, Innovative Communication Corporation, LLC (ICC), a privately-held company headquartered in the U.S. Virgin Islands, agreed to assume a \$57 million debt owed by the government of Belize as partial payment for the purchase of 85 percent of Belize Telecommunications Limited (BTL) from the Belizean government. In 2005, ICC failed to pay the \$57 million owed and the Belizean government took over the debt and repossessed the shares, alleging that ICC had failed, after several extensions, to make remaining payments for BTL shares. ICC countered that the GOB had failed to make certain regulatory changes as agreed.

In May 2007, the previous government enacted a new “Vesting Act” under which the Belize Telecommunication Limited ceased to exist. All of the BTL business was subsequently vested in a new company, Belize Telemedia Limited. Extensive litigation was initiated in Belize, the United States, and the Privy Council in London. In March 2009, the Privy Council ruled in favor of the government of Belize, stating that ICC lost its shares and thus was not entitled to name directors to the company’s Board.

In August of 2009, the government of Belize passed special resolutions in the National Assembly to take over the assets and operations of the firm. The company owning the firm prior to nationalization challenged the government of Belize through the courts and in July 2011, the Caribbean Court of Justice ruled the nationalization was not legal. The government of Belize passed new legislation to nationalize BTL a few days later, also in July 2011, and passed the Eighth Amendment to the Constitution, requiring public ownership of utilities in October 2011. To date, the government of Belize has not paid compensation for the nationalization.

Arbitral Awards: A dispute related to a contract between NEWCO Ltd. and the previous government for the management of Phillip Goldson International Airport had dragged on for years. In June 2000, the Government of Belize requested a consortium of U.S. and German investors to undertake feasibility studies for the modernization of the airport. To pay for these studies, the government of Belize offered the consortium the exclusive right to form a special purpose company to negotiate with the Belizean government to become the airport concessionaire for 30 years. The consortium members agreed to proceed on that basis. In 2003, the Government of Belize abruptly terminated the concession agreement and gave the agreement to the Belize Airport Concession Company – a domestic entity.

NEWCO initiated international arbitration proceedings against Belize pursuant to the arbitration clause of the concession agreement. The arbitral tribunal was appointed by mutual consent of the parties under United National Commission on International Trade Law (UNCITRAL) rules. In June 2008, the arbitral panel issued its unanimous and final award in favor of NEWCO and against the government of Belize. The tribunal awarded damages to NEWCO in the amount of \$4.3 million. Despite public statements by the Prime Minister following the ruling, in which he acknowledged that the country would have to pay, disagreement over the terms of payment and the accrual of interest has resulted in NEWCO seeking recourse in Belizean and U.S. courts. The outcomes of the various legal actions are pending.

In March 2010, Belize passed a new law that institutes severe monetary penalties and imprisonment of any party (including their counsel, advisers, directors, managers and shareholders) that breaches an “anti-suit injunction” issued by Belizean courts in connection with international arbitration proceedings.

Extradition: Belize and the United States signed an extradition treaty in April 2000 and exchanged instruments of ratification in March 2001.

British Virgin Islands

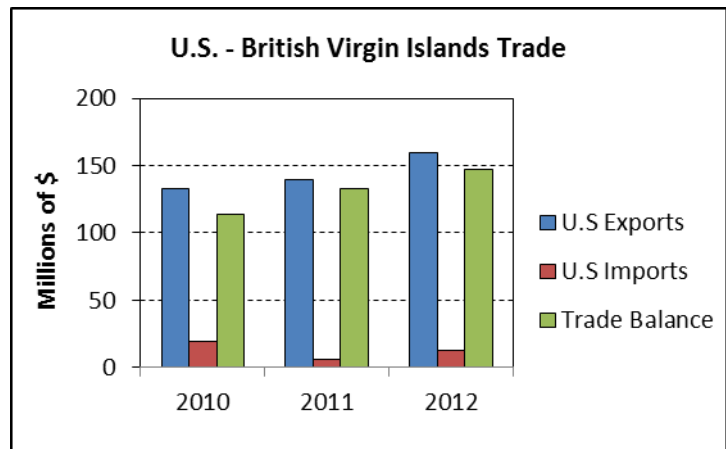
Population: 31,912
(July 2013 est.)

Per Capita GDP: \$42,300 (2010 est.)

Department of Commerce 2012

Trade Statistics

U.S. Exports	\$160,085,504
U.S. Imports	\$12,512,353
U.S. Trade Balance	\$147,573,151



Economic Review: The British Virgin Islands' economy, one of the most stable in the Caribbean, is highly dependent on tourism. Tourism generates an estimated 45 percent of national income. According to the Ministry of Finance, in 2009, nominal GDP dropped by 11 percent, to \$876.3 million. Reduced tourist arrivals and financial services business contributed greatly to the drop in GDP in 2009 and negatively affected industries such as construction, real estate and wholesale and retail, which are heavily dependent on the tourism and financial services sectors. Arrivals increased 3.7 percent in the first nine months of 2013. The Ministry of Finance projected growth of four percent for 2012.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: The British Virgin Islands is a British Overseas Territory and, consequently, external affairs and the administration of the courts are handled by the United Kingdom. Therefore, while it is not itself a WTO member, it indirectly participates as part of the United Kingdom.

Protection of Intellectual Property: In the British Virgin Islands the law governing the protection of intellectual property is that of the United Kingdom.

Provision of Internationally Recognized Worker Rights: The Ministry of Natural Resources and Labour is responsible to manage and administer labor matters in all sectors of the economy and to ensure working conditions which preserve their health, safety and welfare of workers. The Labour Commissioner's mission is to protect the rights and wages through enforcement of the British Virgin Islands labor laws. The minimum wage is \$4 per hour.

Commitments to Eliminate the Worst Forms of Child Labor: According to the Department of Labor's 2012 Findings on the Worst Forms of Child Labor, there is no evidence that children in the British Virgin Islands are engaged in the worst forms of child labor. The minimum age for employment under the Labor Code of 2010 is 16, and children younger than age 18 are prohibited from hazardous work. Children between ages 16 and 18 must have sufficient training

and supervision when operating heavy machinery, and all children younger than age 18 are prohibited from night work. The code also provides for the removal and rehabilitation of children subjected to the worst forms of child labor and makes the offense punishable with a fine, holding both the employer and the child's parent or guardian liable. The British Virgin Islands is subject to the European Convention on Human Rights and the International Covenant on Civil and Political Rights because of its relationship to the United Kingdom, which has signed these agreements.

Counternarcotics Cooperation: The British Virgin Islands has not been identified by the President as a major drug transit or major illicit drug producing country under the provision of the FRAA. The United States and the United Kingdom have a judicial narcotics agreement and an MLAT relating to some UK territories such as the Cayman Islands, Anguilla, the British Virgin Islands, Montserrat, and the Turks and Caicos Islands.

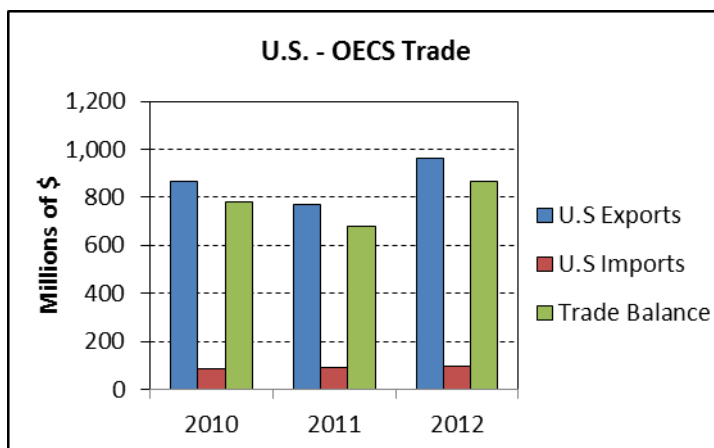
Implementation of the Inter-American Convention Against Corruption: As an overseas territory of the United Kingdom, the British Virgin Islands is not a signatory to the IACAC; its international obligations derive from those of the United Kingdom.

The Organization of Eastern Caribbean States

Department of Commerce 2012

Trade Statistics

U.S. Exports	\$961,493,858
U.S. Imports	\$95,800,008
U.S. Trade Balance	\$865,693,850



The Organization of Eastern Caribbean States (OECS) is made up of the countries of Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, and Montserrat, an overseas territory of the United Kingdom.

Antigua and Barbuda. The economy of Antigua and Barbuda is heavily dependent on tourism. According to the World Travel and Tourism Council, the travel and tourism industry contributed 77.4 percent to Antigua and Barbuda’s GDP in 2012, the third highest rate in the world. The global financial slowdown has contributed to a sharp decline in the tourism industry, foreign direct investment, and remittances. After three years of negative growth, the economy registered a 1.6 percent increase in real output in 2012. Antigua’s debt levels are high, with a debt to GDP ratio of 89 percent in 2012. Antigua and Barbuda completed the final review of its IMF Stand-By Arrangement in June 2013, and the IMF concluded that it had largely achieved the program’s goals. For example, the country’s fiscal deficit dropped from 18 percent of GDP in 2009 to approximately one percent in 2012.

The government of Antigua and Barbuda continues to delay prosecution of SlySoft Inc., a domestic company, for violations of anti-circumvention laws. The delay in prosecution has enabled SlySoft to continue distribution of software that facilitates infringement of copyrights in motion picture content worldwide. The government also failed to prevent the unauthorized and uncompensated broadcasting and other public performance of U.S. copyrighted content by television, radio and cable operators.

Antiguan law establishes a minimum working age of 16 years, which corresponds with the provisions of the Education Act. In addition persons under 18 years must have a medical clearance to work and may not work later than 10 p.m. The labor code provides that the minister of labor may issue orders, which have the force of law, to establish a minimum wage.

The minimum wage was EC\$7.00 (\$2.59) an hour for all categories of labor, which provide a barely adequate standard of living for a worker and family. In practice the great majority of workers earned substantially more than the minimum wage. The law provides that workers are not required to work more than a 48-hour, six-day workweek, but in practice the standard workweek was 40 hours in five days.

Antigua and Barbuda has ratified all eight of the ILO Core Labor Conventions.

Antigua and Barbuda practices a no-tolerance policy relating to child labor in accordance with its Constitution of 1981 and conventions of the ILO. The law stipulates a minimum working age of 16.

Nationalization/Expropriation: The case of the Half Moon Bay Hotel remains unresolved. In 1971, HMB Holdings Limited (“HMB”) purchased the Half Moon Bay Hotel in Antigua. In 1995, Hurricane Luis struck Antigua, causing widespread damage to the hotel, such that it had to be closed. The hotel has not reopened since then. In 1999, the Government of Antigua determined that it should acquire the property compulsorily, in order to repair it and resume hotel operations. HMB objected, and the two sides had some discussions with a view towards enabling HMB to renovate the property itself. These discussions did not produce a mutually satisfactory solution, and in 2002 the Antiguan Cabinet decided to proceed with the acquisition. In June 2007, after a number of legal proceedings, the UK Privy Council determined that the government of Antigua could proceed with the acquisition, provided that it provided compensation to HMB. The government of Antigua took physical possession of the hotel in 2007. The government of Antigua and HMB have been unable to reach an agreement on the appropriate amount of compensation, and HMB has initiated legal action against the Government of Antigua to obtain compensation.

IPR. The music and film piracy and public performance and broadcast licensing issues that plague other Caribbean markets are present in Antigua and Barbuda as well. Antigua and Barbuda has delayed investigation and failed to prosecute the owner of SlySoft Inc., a company that develops and makes available globally via the Internet software used to infringe copyrights in motion picture content on pre-recorded blu-ray discs.

Dominica. The economy of Dominica differs from those of other countries in the eastern Caribbean. Dominica’s tourism sector is less developed, and the agricultural sector accounts for a larger share of GDP than in other eastern Caribbean countries. As a result, the IMF concluded that the global downturn affected Dominica less than other eastern Caribbean countries. Real GDP fell by 1.1 percent in 2009, but grew by 1.2 percent and 1.0 percent in 2010 and 2011, respectively. In 2012, real output again contracted, falling 1.7 percent. In Dominica, the debt ratio (75 percent of GDP in 2012) is lower than in some of its neighbors, but the ratio has been rising for the past three years during a period of annual public sector primary deficits.

The minimum wage law establishes a base wage of EC\$5.00 (approximately \$1.87) per hour for all public and private workers. The minimum wage was last updated in June 2008 and varies according to category of worker, with the lowest minimum wage set at EC\$4.00 (\$1.50), and the maximum at EC\$5.50 (\$2.06) per hour. However, most workers (including domestic employees) earned more than the legislated minimum wage as prevailing wages were much higher than statutory minimum wages. The law allows children to start working at 12 in family-run businesses and farms, as long as the work does not involve selling alcohol. At age 14 the law allows children to work in apprenticeships and regular jobs that do not involve hazardous work. The minimum age to be employed in hazardous work is 18. The law does not set out a list of

hazardous work, but the Ministry of Labor reported that in practice jobs such as mining and seafaring were considered hazardous. Safety standards limit the type of work, conditions, and hours of work for children over the age of 14. According to the State Department's 2012 Human Rights Report, the government effectively enforced these standards, and there were no abuses reported and the government effectively enforced all labor standards, including in the informal sector, which accounted for close to 50 percent of total employment, and in which workers were not commonly unionized.

Dominica has ratified all eight of the ILO core labor conventions.

The Department of Labor's *2012 Findings on the Worst Forms of Child Labor* identified no evidence of the worst forms of child labor in Dominica.

Grenada. Real GDP grew modestly in 2008, but fell by 6.7 percent in 2009 and by 0.4 percent in 2010. Grenada's economy grew by 1.0 percent in 2011, but contracted by 0.8 percent the following year. According to data from the Eastern Caribbean Central Bank, the total number of visitors fell by 21 percent from 2009 to 2012. Spending by tourists, however, has increased, rising 8.7 percent to \$122 million in 2012.

Article 32 of the Employment Act sets the minimum age for employment at 16. Although labor inspectors are authorized to act on possible child labor laws violations that they encounter during their normal duties, child labor inspections are complaint-driven. Because there were no complaints, no inspections were carried out in 2010.

The Ministry of Labor last updated minimum wages in 2011, with changes coming fully into force by 2012. Under the 2011 minimum wage levels, wages are linked to various categories of workers; for example, for agricultural workers the minimum wage was EC\$8.00 (\$2.96) per hour. The minimum wage for domestic workers was set at EC\$800 (\$296) monthly. The normal workweek is 40 hours in five days.

The Department of Labor's *2012 Findings on the Worst Forms of Child Labor* identified no evidence of the worst forms of child labor in Grenada.

Grenada has ratified all eight of the ILO core labor conventions.

The President has not identified Grenada as a major drug transit or major illicit drug producing country under the provision of the FRAA. According to the 2013 State Department International Narcotics Control Strategy Report, Grenada introduced to parliament a new master plan for 2012 through 2016 to combat drug trafficking. The plan covers the areas of institutional strengthening, demand and supply reduction, control measures, anti-money laundering, precursor chemicals and mechanisms for monitoring and evaluation.

Montserrat. Montserrat is a British Overseas Territory. Severe volcanic activity burdens this small, open economy. Starting in 1995, repeated eruptions of the Soufriere Hills Volcano in the south of the island has led to the evacuation and relocation of residents from the so called "exclusion zone." For example, a catastrophic eruption in 1997 closed the airports and seaports,

and caused economic and social dislocation, including the departure of two-thirds of the island's inhabitants. Some of the dislocated inhabitants began to return in 1998, but a lack of housing limited the number. Heightened volcanic activity in 2009 and 2010 resulted in the temporary evacuation of some unsafe areas. There has been no major volcanic activity since February 2010, but activity could resume with little or no warning. Volcanic activity has left four and a half of the original seven constituencies unoccupied.

In May 2012, the government of Montserrat and the United Kingdom Department for International Development signed a Memorandum of Understanding that promises UK capital investment in concert with economic reforms to help attract foreign private investment to Montserrat.

There is no minimum wage in Montserrat, however, it is recommended that prospective employers pay wages equal or above those approved for government workers. The labor force in Montserrat is small and a majority of it is employed by the government. There is no legislated work week, but workers generally work a 40 hour work week. Labor relations are governed by the Employment Ordinance No. 19 of 1979. The Labor Department provides conciliation service. The Montserrat Allied Workers Union provides representation for workers outside the public sector.

The minimum age for employment under the Montserrat Employment Act is 14. Children younger than age 15 are prohibited from industrial undertakings unless the work is not dangerous and only family members are employed. There is limited evidence that some children in Montserrat are engaged in commercial sexual exploitation in exchange for money and material goods. Information about the nature and prevalence of the problem remains limited.

St. Kitts and Nevis. The economy of St. Kitts and Nevis is largely dependent on tourism. According to the Finance Ministry, tourism provides employment for approximately one-third of the country's workers. In 2011 and 2012, St. Kitts and Nevis experienced negative economic growth. However, there are signs of a modest recovery. The IMF projects real GDP growth of 1.9 percent in 2013. The government is working with the IMF to reduce the country's gross public debt, which, at 89 percent of GDP, is one of the highest in the regions.

The strategy includes three elements: achieving ambitious primary fiscal surpluses; lowering the debt service burden; and further strengthening the financial sector.

The constitution prohibits slavery, servitude, and forced labor of children, and the Department of Labor effectively enforced this law in practice. There were no reports of child labor during the year. The minimum legal working age is 16 years. Children under age 16 often engaged in domestic service. Such labor included children looking after younger siblings or ailing parents and grandparents, but rarely at the expense of their schooling. Children often worked in other households as domestic servants or babysitters.

The government sets the minimum wage, which was EC\$8.00 (\$3.00) an hour. Average wages were considerably higher than the minimum wage, which would not provide a decent standard of living for a worker and family. The Labor Commission undertook regular wage inspections and

special investigations when it received complaints; it required employers found in violation to pay back wages. The law provides for a 40- to 44-hour workweek, but the common practice was 40 hours in five days.

St. Kitts and Nevis has ratified all eight of the ILO core labor conventions.

There is no evidence to suggest that the worst forms of child labor are a problem in St. Kitts and Nevis.

St. Lucia. While St. Lucia has a relatively high GDP per capita of approximately \$11,000, it continues to face a difficult economic environment following the global economic downturn. With an economy focused on tourism and services provided to the United States, Canada, and Europe, slower growth in those economies affected St. Lucia. Its former reliance on banana production is on the decline, with the agricultural sector hit hard by natural disasters and the reduction of trade preferences. St. Lucia's debt levels are high (in 2012, gross public debt as a share of GDP was roughly 71 percent), and it recorded a fiscal deficit of 6.9 percent of GDP in 2012. Real GDP growth has been negative or low in recent years; St. Lucia's economy contracted by 0.1 percent in 2009 and 0.2 percent in 2010, before expanding by 1.8 percent in 2011. There was a decline in economic activity in 2012 (-0.9 percent), but the IMF expects it to regain some momentum in 2013. A VAT introduced in 2012 led to a jump in inflation, and the IMF expects inflation to stay elevated through 2013. St. Lucia struggles with high debt levels, high cost of energy, and weak private consumption.

Commitment to Internationally Recognized Worker Rights: A new labor code took effect August 2012; it further defines worker rights and increases penalties for violations. The law, including applicable statutes and regulations, specifies the right of most workers to form and join independent unions, to strike, and to bargain collectively. The law also prohibits antiunion discrimination, and workers fired for union activity have the right to reinstatement.

According to the State Department's *2012 Human Rights Report*, the government generally respected freedom of association and the right to collective bargaining in practice. The government effectively enforced these laws, including with effective remedies and penalties. Worker organizations were independent of the government and political parties. Workers exercised the right to strike and to bargain collectively in practice.

Minimum wage regulations in St. Lucia have remained in effect since their institution in 1985. The legislated workweek is 41 hours, although the common practice is to work 40 hours in five days. Occupational health and safety regulations are relatively well developed. However, there are only seven qualified inspectors for the entire country to monitor compliance with occupational and safety standards, pension standards and minimum wage violations. The Employment of Women, Young Persons, and Children Law set the minimum age for employment at 14 years. Some school age children work in rural areas, including on farms. Children work in urban food stalls and as street traders during non-school and festival days.

St. Lucia has ratified seven of eight of the ILO core labor conventions. It has not yet ratified Convention 138 on the minimum age.

Information on the prevalence of the worst forms of child labor in St. Lucia is limited, but there are some reports of children being engaged in dangerous activities in agriculture.

The American Society of Composers Authors and Publishers has expressed concern that two cable operators in St Lucia have not obtained the necessary license nor paid royalties for the cablecast of U.S. copyrighted music.

St. Lucia has met U.S. counternarcotics certification criteria under the Foreign Assistance Act of 1961, as set forth in the Department of State's annual International Narcotics Control Strategy Report.

St. Vincent and the Grenadines. The economy of St. Vincent and the Grenadines suffered during the global economic downturn, with real output contracting annually between 2008 and 2010. Nevertheless, per capita GDP is about \$12,000. Success of the economy hinges upon seasonal variations in agriculture, tourism, and construction activity as well as remittance inflows. Much of the workforce is employed in banana production and tourism, and persistently high unemployment has prompted many to leave the islands. This lower-middle-income country is vulnerable to natural disasters: tropical storms wiped out substantial portions of crops in 1994, 1995, and 2002. St. Vincent is home to a small offshore banking sector and has moved to adopt international regulatory standards. The government's ability to invest in social programs and respond to external shocks is constrained by its high public debt burden, which was 70.1 percent of GDP at the end of 2012. Real GDP increased by 1.5 percent in 2012 and the IMF expects 1.3 percent growth in 2013.

Provision of Internationally Recognized Worker Rights: The Government of St. Vincent and the Grenadines has not updated minimum wage laws since 2008. Minimum wages vary by sector and type of work and are specified for several skilled categories. In agriculture the minimum wage for workers provided shelter was EC\$32 (\$11.85) per day, or EC \$56 (\$20.74) if shelter was not provided; for industrial workers it was EC\$40 (\$14.81) per day. According to the State Department's 2012 Human Rights Report, most workers earn more than minimum wage. The law prescribes workweek length according to category. For example, industrial employees work 40 hours a week, and store clerks work 44 hours a week. The Employment of Women, Young Persons and Children Act sets the minimum age for employment, including hazardous work, at 14. Children below the age of 18 are prohibited from working at night. Some children work on family-owned farms, mainly during harvest time, or in family-owned cottage industries. The government also added hazardous work legislation to protect workers, particularly in the agriculture sector.

Also according to the State Department's 2012 Human Rights Report, legislation concerning occupational safety and health was outdated, and enforcement of regulations was ineffective. The Department of Labor had five labor inspectors who conducted regular wage and workplace safety inspections. The Ministry of Agriculture conducted inspections and worksite visits in the agriculture sector related to occupational safety and health. While there are fines and other penalties in the labor laws, they may be inadequate in many cases, as some legislation was outdated and the fines so small as to be inconsequential.

St. Vincent and the Grenadines has ratified all eight of the ILO core labor conventions.

Commitments to Eliminate the Worst Forms of Child Labor: According to the Department of Labor's 2012 Findings on the Worst Forms of Child Labor, some children are engaged in the worst forms of child labor in St. Vincent and the Grenadines. In 2012, St. Vincent and the Grenadines made some advancement to eliminate the worst forms of child labor. In implementing the Prevention and Trafficking in Persons Act in 2012, the Government established a National Task Force Against Trafficking in Persons.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: Although hindered by a lack of government resources and technical expertise, the OECS Members (not including Montserrat, which is a U.K. overseas territory) have demonstrated a commitment to fulfill their WTO obligations on schedule.

Protection of Intellectual Property: Although the OECS Members suffer from a lack of resources, they are moving toward a harmonization of their intellectual property laws. OECS Members are also working to educate their populations on the benefits that accrue from establishing an effective IP regime and are striving to comply with international obligations and strengthen protection. However, video, music and DVD piracy remains a problem throughout the region. A World Intellectual Property Organization (WIPO)-sponsored study on the economic contributions of the copyright industries to OECS Members is expected to provide an incentive for OECS Members to strengthen protection for copyrights throughout the region. Motion picture and film piracy and the unlicensed and uncompensated public performance of music by radio, television and cable broadcasters have a negative impact on both U.S. and Caribbean artists and economies.

Provision of Internationally Recognized Worker Rights: In the OECS Members, workers have the right to associate freely and to form labor unions; this right is generally respected. Workers also have the right to organize and bargain collectively and there is a prohibition on any form of forced or compulsory labor.

Commitment to Eliminate the Worst Forms of Child Labor: All the OECS countries have ratified ILO Convention 182 (Montserrat is a member via the United Kingdom's ratification of the Convention). Although there is no evidence to suggest it is a widespread problem, there have been some reports of exploitative child labor in the region. There have been reports that children may be involved in pornography, prostitution, and the distribution of drugs in a few of the OECS members.

Counternarcotics Cooperation: The President has not identified any of the OECS Members as a major drug transit or major illicit drug producing country under the provisions of the FRAA.

Implementation of the Inter-American Convention Against Corruption: The only OECS member that has not acceded to the IACAC is Montserrat, whose international obligations derive from those of the United Kingdom.

Transparency in Government Procurement: The OECS Members' government policies are generally quite open and transparent, and the United States is not aware of any non-competitive bidding procedures. None of the OECS Members are signatories of the WTO Agreement on Government Procurement.

Guyana

Population: 739,903

(July 2013 est.)

Per Capita GDP: \$8,100 (2012 est.)

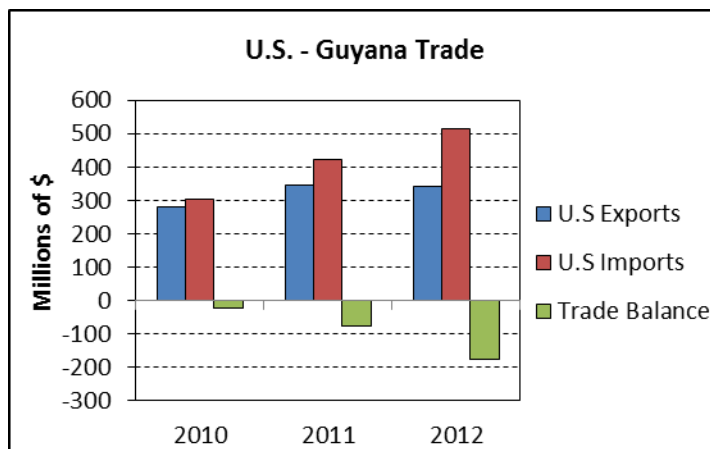
Department of Commerce 2012

Trade Statistics

U.S. Exports \$340,232,339

U.S. Imports \$515,121,299

U.S. Trade Balance -\$174,888,960



Economic Review: The Guyanese economy demonstrated robust growth of 4.6 percent on average over the past five years. Six commodities – sugar, gold, bauxite, shrimp, timber and rice – represent 60 percent of Guyana’s GDP, making Guyana susceptible to weather conditions and changes in commodity prices. In the context of higher fuel costs and lower prices for exported gold, Guyana’s current account deficit is expected to widen to more than 16 percent of GDP by the end of 2013. Through June, the current account has widened to 9.3 percent of GDP compared to 8.4 percent of GDP in the same period last year. According to the IMF, output expanded by 4.8 percent in 2012. Foreign direct investment increased by 19 percent in 2012, due to investments in the mining, transport, and telecommunications sectors. However, this foreign direct investment is recorded from retained earnings, and may not reflect the establishment of new businesses in the country. The Multilateral Investment Fund of the Inter-American Development Bank reports that Guyana ranks second only to Haiti in terms of remittances as a percentage of GDP at 17 percent. At the end of 2012, Guyana’s total external debt stock stood at \$1.4 billion (48.7 percent of GDP), an increase of 12.7 percent over the previous year, largely on account of the financed component of oil shipments under the Petrocaribe arrangement with Venezuela. Guyana began repaying PetroCaribe debt with rice shipments and accumulated savings under the financing arrangements.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: Guyana has demonstrated a general commitment to undertaking its obligations under the WTO agreements, although Guyana lags behind in the process of updating domestic laws and trade policies to reflect those obligations.

Protection of Intellectual Property: Guyana continues to lack an adequate legal framework for the protection of intellectual property, and institutional capacity to enforce the provisions of existing laws remains weak. Despite repeated promises to update legislation to protect the intellectual property of foreign companies in Guyana, the current laws on copyrights and patents date from colonial times, circa 1956. Unauthorized use of music and video products is

widespread, and local television stations, including those run by the government, routinely transmit copyright-protected material without proper licensing.

Provision of Internationally Recognized Worker Rights: Guyana has ratified all eight of the ILO Core Labor Conventions. These eight are Conventions 87 and 98 on freedom of association and collective bargaining, Conventions 29 and 105 on the elimination of forced and compulsory labor, Conventions 138 and 182 on the abolition of child labor, and Conventions 100 and 111 on the elimination of discrimination in respect of employment and occupation.

The Constitution provides workers the right of association and allow workers to form and join trade unions, and the law provides workers with the right to strike. Public employees providing essential services may strike if they provide one-month notice to the Ministry of Labor (MOL), as required and set down a skeleton staff in place, although the International Labor Organization has noted that not all of the essential services as described by the MOL were considered essential under the international definition. According to the State Department's 2012 Human Rights Report, arbitration is compulsory for public employees, and employees engaging in illegal strikes are subject to sanctions or imprisonment. The ILO noted that such restrictions compromised workers' right to strike.

The Constitution guarantees freedom of association and the right to collective bargaining, and about one-third of the workforce belongs to unions. The law requires employers to recognize a union elected by the majority of employees in a workplace. There is a tradition of close links between political parties and labor unions. Forced and compulsory labor are constitutionally prohibited.

Although Guyanese the law sets minimum age requirements for employment of children, child labor in the informal sector is a problem. The law prohibits the employment of children younger than 15, with some exceptions. Technical schools may employ children age 14 provided public authority approves and supervises such work. No person under 18 may be employed at night, except under excepted circumstances. For example, the law permits children over age 16 to work at night for activities that require continuity through day and night. The law permits children under 15 to be employed only in enterprises in which members of the same family are also employed.

The Labor Act and the Wages Councils Act allow the Labor Minister to set minimum wages for various categories of private employers. Minimum wages for certain categories of private sector workers have been set, but there is no uniform legislated national minimum wage. The public sector minimum wage is 37,2657 Guyanese dollars (\$186) per month, and it is applicable to both public and private sectors; however, the government set wage adjustments unilaterally for public-sector employees. Although the minimum wage is across the board, the private-sector wages are higher than that of the public sector for similar categories of workers such as clerks and drivers. The Ministry of Labor was responsible for enforcing the minimum wage, and although enforcement mechanisms exist they were not used effectively. Unorganized workers, particularly women and children in the informal sector, often were paid less than the service-sector legal minimum wage.

Commitments to Eliminate the Worst Forms of Child Labor: Child labor was most prevalent in family-based businesses, farming, bars and restaurants, domestic work, and street vending. Children are reported to also perform hazardous work in the construction, logging, fishing, manufacturing, and mining industries. The worst forms of child labor occurred in gold mining, prostitution, and forced labor activities. Children who worked in gold mines operated dangerous mining equipment and were exposed to hazardous chemicals.

In 2006, Guyana's Parliament passed an amendment to the Employment of Young Persons and Children Act that defined all the worst forms of child labor. However, the President did not sign the draft amendment into law, and Parliament has not resubmitted it. Other laws protect children from some of the worst forms of child labor.

In September 2003 the National Steering Committee on Child Labor was formed. The committee was tasked with recommending policies and programs to eliminate child labor in all its forms. According to the Department of Labor's *2012 Findings on the Worst Forms of Child Labor*, the steering committee has reportedly stopped meeting, which potentially limits its ability to carry out its mandates.

The Government of Guyana took part in the 11-country, approximately \$21 million Tackle Child Labor through Education (TACKLE) project funded by the European Commission, which will run through February 2012. The program's main objectives were to provide access to basic education and skills training for disadvantaged children and strengthening the capacity of local and national authorities to collaborate with civil society groups in the formulation, implementation and enforcement of policies to eliminate child labor.

Counternarcotics Cooperation: Guyana has not been identified by the President as a major drug transit or major illicit drug producing country under the provision of the FRAA.

Guyana is a transshipment point for cocaine from Colombia and Venezuela destined for North America, Europe, and the Caribbean. Generally, small aircraft transporting cocaine land at remote airstrips in Guyana's unpopulated interior highlands or coastal savanna regions to refuel and continue on to offshore destinations. Due to weak land and maritime border controls and the vast unpatrolled interior, drug traffickers are able to conduct operations without significant interference from law enforcement agencies. The ability to detect drug shipments has received some recent investment, but a lack of focused interdiction operations and the capacity to monitor and control its expansive borders hinder enforcement of anti-trafficking laws.

U.S. policy focuses on cooperating with Guyana's law enforcement agencies, promoting good governance, and facilitating demand reduction programs. The United States continues to encourage Guyanese participation in bilateral and multilateral counternarcotics initiatives, including the Caribbean Basin Security Initiative. The government of Guyana has a maritime counter-drug bilateral agreement with the United States.

Inter-American Convention Against Corruption Implementation: Guyana is party to the IACAC. Although the government passed legislation in 1997 that requires public officials to disclose their assets to an Integrity Commission prior to assuming office, the Integrity Commission has never

been constituted and remains inoperative. According to Transparency International's 2012 Corruption Perceptions Index (CPI), Guyana ranks 133rd out of 174 countries for its level of corruption. Guyana is also party to the UN Convention Against Corruption.

Transparency in Government Procurement: The Procurement Act of 2003 and the Public Procurement Commission Tribunal Act of 2004 govern public procurement. The Procurement Act provides for transparency and accountability in government procurement. However, the Act has been criticized because it grants the Minister of Finance the power to unilaterally appoint a National Board, responsible for the National Procurement and Tender Administration that exercises jurisdiction over tenders. The Auditor General notes continuous disregard for the procedures, rules and laws that govern public procurement. The Constitution of Guyana provides for the establishment of a Public Procurement Commission to provide oversight, but no agreement has ever been reached on the nomination of its members. Guyana is not a signatory of the WTO Agreement on Government Procurement.

An amendment to Guyana's Constitution in 2001 provided for the establishment of a Public Procurement Commission. The Constitution empowers the Public Procurement Commission to monitor and review the functioning of all public procurement systems to ensure that they are in accordance with the law and such policy guidelines as may be established by the National Assembly. According to the Constitution, Parliament may establish a Public Procurement Commission Tribunal, which shall have the power to review and hear appeals of any decision of the Public Procurement Commission. Decisions of the Tribunal are subject to an appeal to the Court of Appeal. Neither the Public Procurement Commission nor the Public Procurement Commission Tribunal has been established.

Additional Issues

Nationalization/Expropriation: Although the government has indicated it is considering legislating its way out of contracts with U.S. companies, it has not followed through on such indications. The U.S. embassy in Guyana is unaware of any instances in which the government of Guyana has nationalized or expropriated the property of U.S. citizens or any instances in which the government failed to honor arbitral awards in favor of U.S. citizens.

Extradition: Guyana still operates under an extradition treaty from 1931 between the U.S. and Great Britain.

Haiti

Population: 9,893,934 (July 2013 est.)

Per Capita GDP: \$1,300 (2012 est.)

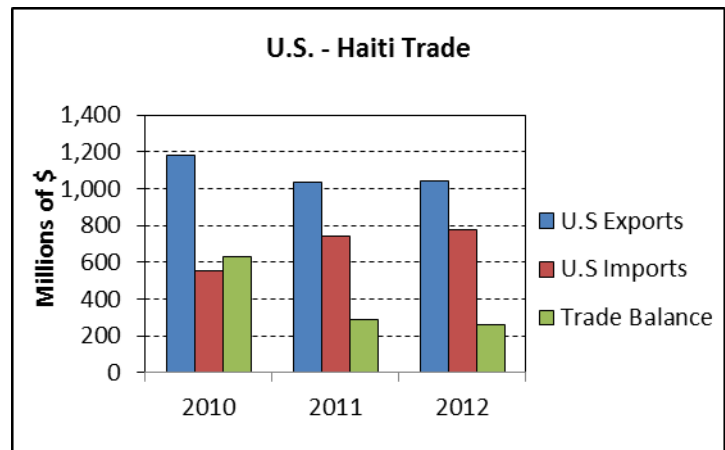
Department of Commerce 2012

Trade Statistics

U.S. Exports \$1,037,823,730

U.S. Imports \$773,959,062

U.S. Trade Balance \$263,864,668



Economic Review: The Haitian economy is improving, but at a pace insufficient to address Haiti's current levels of poverty and unemployment. According to the IMF, the country continues to exhibit macroeconomic stability, though growth has been modest. Expected GDP in FY 2013 was scaled down from 6.5 percent to 3.4 percent in the IMF's 6th review (July 2013) due to the slow pace of reconstruction and challenges the agricultural sector faced due to environmental factors. The IMF predicts GDP will increase in FY 2014 to 4.5 percent assuming a rebound in these sectors.

Inflation increased to 7.6 percent in 2012, reflecting primarily higher international food prices and reduced domestic food supply caused by Hurricanes Isaac and Sandy. Reconstruction and economic recovery following the January 2010 earthquake has been slow, due to weak administrative and absorptive capacity, and a weak business environment. The country remains highly vulnerable to exogenous shocks, including natural disasters which devastate the agricultural sector. According to the IMF, strengthening of the agricultural sector and industrial projects and efforts to improve the business environment will help sustain growth and strengthen Haiti's external position.

Most of Haiti's external debt was cancelled by donor countries following the 2010 earthquake, but has since risen to over \$1 billion, the majority of which fall under PetroCaribe agreements with Venezuela. The government relies on formal international economic assistance for fiscal sustainability, with over half of its annual budget coming from outside sources. According to the IMF, Haiti's trade deficit increased from \$272 million in 2012 to \$290 million in 2013 mostly due to declining official transfers and lower net financial inflows.

The apparel sector accounts for the vast majority of Haitian exports. Haiti is eligible for duty-free entry of textiles pursuant to CBTPA, the HOPE Act, and the HELP Act (which increased the apparel quotas and extended the CBTPA and the HOPE Act through September 30, 2020). According to the Department of Commerce's Office of Textiles and Apparel (OTEXA), total apparel imports from Haiti increased by 36 percent in 2011, and by four percent in 2012,

reaching \$730 million. Imports of apparel from Haiti at preferential tariff rates rose 33.6 percent in 2011 as Haiti began recovering from the January 2010 earthquake and utilization of preferences under the HOPE Acts increased. Such imports rose further by 5.5 percent in 2012.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: Haiti has a relatively open trade regime and has committed to undertake and fulfill its WTO obligations.

Protection of Intellectual Property: Haiti's major laws governing intellectual property protection date from the early- to mid-twentieth century. Government entities do not, as a matter of policy or general practice, broadcast copyrighted material belonging to U.S. copyright holders without their express consent. Moreover, limited manufacturing capacity, lack of disposable income, and paucity of tourism result in a limited amount of commercial piracy. Weak judicial institutions, however, contribute to poor enforcement of existing laws and the erosion of protections offered by current statutes.

Provision of Internationally Recognized Worker Rights: Haiti has ratified all eight of the ILO core labor conventions. These eight are Conventions 87 and 98 on freedom of association and collective bargaining, Conventions 29 and 105 on the elimination of forced and compulsory labor, Conventions 138 and 182 on the abolition of child labor, and Conventions 100 and 111 on the elimination of discrimination in respect of employment and occupation. In practice, Haiti faces challenges in enforcing labor laws.

On October 1 2012, the daily minimum wage for salaried workers increased from Haitian Gourdes (HTG)150 (approximately \$3.40) to HTG200 (approximately \$4.60) in the garment sector. Producers employing piece rate workers are required to set the piece rate so that workers can earn a minimum of 300 HTG (approximately \$6.90) per day for an eight hour day. For all other industrial and commercial establishments, the daily minimum wage was fixed at HTG200 for eight hours of work. Minimum wage levels and hourly limits were often not effectively enforced. Most citizens worked in the informal sector and subsistence agriculture, in which minimum wage legislation does not apply, and daily wages of HTG15 (\$0.34) were common. Many women worked as domestic employees, an area of work also exempted from minimum wage legislation.

Haiti must fulfill certain requirements related to labor protections in order to continue to receive benefits under the HOPE II program, which are outlined in Chapter 1. On October 16, 2009, President Obama certified to Congress that Haiti had met the necessary requirements to continue the duty-free treatment provided under HOPE II. Since the President's certification in October 2009, the ILO has established the Better Work program under a grant from the U.S. Department of Labor. Under the program, ILO staff monitors conditions and provide technical assistance in Haiti's garment factories, issuing public reports on compliance with national laws and international standards.

The ILO issued its seventh synthesis report in October 2013.¹¹ The report covered 23 Haitian factories for the period of May to August 2013. The report noted high non-compliance rates in the areas of occupational safety and health, and compensation; mostly in the area of minimum wages. The report also noted some cases of non-compliance of freedom of association and collective bargaining. In 2012, unions continued to form in the garment sector. Haiti has established a tripartite committee – the Superior Council of Salaries (CSS) – to propose resolutions and recommendations on issues regarding the minimum wage.

As outlined in Chapter 1, Under HOPE II, the President must identify on a biennial basis producers who have failed to comply with core labor standards and with the labor laws of Haiti that directly relate to and are consistent with such standards, and to seek to assist such producers in coming into compliance with core labor standards and related Haitian laws. The President has delegated this authority to the Secretary of Labor, in consultation with the USTR.

In December 2011, the Secretary of Labor, in consultation with the USTR, identified three producers as noncompliant with one or more core labor standards. These findings were related to the following core labor standards: (i) freedom of association; (ii) discrimination, in particular sexual harassment; and (iii) forced labor, in particular certain mandatory overtime practices. The Department of Labor has been providing assistance to the producers and the producers have taken significant steps towards remediation of the non-compliance findings.

In 2013, the Department of Labor also awarded a \$1.4 million grant to the ILO for a program to improve the inspection capacity of the Ministry of Labor and Social Affairs (MAST), with the aim of increasing labor law compliance in the Haitian apparel sector.

Commitments to Eliminate the Worst Forms of Child Labor: The Factories Act and Employment of Young Persons and Children Act of 1999 set the minimum age for employment at 15 years, but children under that age may be employed in technical schools, provided such work is approved and supervised by the public authority. Children younger than 16 years are prohibited from working at night. Although the Occupational Safety and Health Act also prohibits young persons and children from performing any work that is likely to be hazardous, interferes with their education, or is harmful to their physical, mental, spiritual, moral or social health and development, the Employment of Young Persons and Children Act permits children over 16 years to work in the manufacture of iron, steel, and paper as well as glass work and gold mining reduction when a family member is also employed in the same undertaking. The law restricts to the age of 18 or higher employment in hazardous areas, such as mining, construction and sanitation services. In practice, however, many children work in the informal sector, such as street trading, vending, livestock, and farming, where labor laws do not apply or are not enforced.

In general, due to high unemployment and job competition, there is very little child labor in the formal industrial sector. Children are known to work on family farms, where they may be exposed to pesticides, sharp tools, harsh conditions and long working hours.

¹¹ Better Work Haiti: Garment Industry 7th Biannual Synthesis Report Under the HOPE II Legislation, October 16, 2013. Available at http://betterwork.org/global/wp-content/uploads/HOPE-II-FINAL_merged1.pdf.

A common form of exploitive child labor in Haiti is the traditional practice of trafficking children from poor, rural areas to cities to work as domestic servants for more affluent urban families, referred to as “restavek.” The restavek tradition is widespread in Haiti and fraught with abuse. Poor rural families sometimes give custody of their children to more affluent families or other family members, in the hope that they will receive an education and will have an opportunity for a better life. According to the *Department of Labor’s 2012 Findings on the Worst Forms of Child Labor*, many children receive no schooling or pay and are at risk of sexual exploitation and physical abuse.

The 2010 earthquake further weakened the country’s inadequate social service and educational systems and exacerbated political and socioeconomic instability. Public safety has further deteriorated, particularly in camps for internally displaced persons, where girls are vulnerable to sexual violence and exploitation by self-appointed “security guardians.” Local NGOs and the Haitian National Police have indicated that reported cases of trafficking, forced labor and forced prostitution of children have risen following the earthquake.

MAST is responsible for enforcing all child labor legislation, and the Institute for Welfare and Research (IBESR), which is part of the MAST, is charged with coordinating the implementation of child labor laws with other government agencies. In 2012, the Government created a National Commission for the Elimination of the Worst Forms of Child Labor; established an inter-ministerial working group on trafficking; and expanded the national child protection database to include categories of vulnerable children, including restaveks. However, child labor laws, particularly child domestic labor regulations, are not adequately enforced. The government has indicated that understaffing and a shortage of basic equipment, such as vehicles, hinder IBESR’s ability to conduct child labor investigations. In addition, the Government does not report statistics on child labor violations investigated or penalties imposed.

The Department of State funded new grants as part of an emergency response to the increased risk of child trafficking after the 2010 earthquake. The State Department’s Office to Monitor and Combat Trafficking in Persons awarded an additional \$4.75 million to ten grantees to help strengthen the capacity of Haitian institutions and civil society to identify and respond to human trafficking. Grantees work with local partners to, strengthen the capacity of Haitian judges to recognize and deliberate on cases involving human trafficking, support direct services for victims, raise awareness about the restavek situation, and prevent trafficking and gender-based violence in the camps for internally displaced persons.

Counternarcotics Cooperation: The President has identified Haiti as a major drug transit or major illicit drug producing country under the provision of the FRAA. Haiti was not, however, designated as having “failed demonstrably” to make substantial efforts during the previous 12 months to adhere to international counternarcotics agreements and to take measures specified in U.S. law. Haiti faces challenges in combating the drug trafficking threat. Security and judicial institutions, including the 15-year old national police force, still in the early stages of professional development, were faced with additional setbacks following the January 12, 2010 earthquake. The widespread devastation to Haitian government infrastructure further diminished the government of Haiti’s ability to combat drug trafficking.

The United States maintains a priority focus on building the capacity of Haitian institutions to provide policing and security for Haitian citizens and to address drug trafficking and money laundering threats. In response to Haiti's vast rebuilding needs, the Department of State expanded its Narcotics Affairs Section (NAS) to include a counternarcotics advisor, corrections advisor, police advisor, program officer and a management officer. NAS has developed an Action Plan, setting out its efforts to build police, prison and court infrastructure, and train penal chain actors in ethics, sex and gender based violence and increase their administrative capacity for sustainable and efficient policing and prison management.

Implementation of the Inter-American Convention Against Corruption: Haiti became a party to the IACAC in 2002. Corruption remains an ongoing challenge to economic growth. Haiti is ranked as one of the most corrupt countries in the world according to Transparency International's corruption perception index for 2010.

Transparency in Government Procurement: Haiti was required to strengthen its procurement laws as a condition of debt forgiveness by the IMF and World Bank. The Haitian government succeeded in adopting a new law on public procurement in early 2008. In 2013, the government of Haiti, with support from the World Bank and Inter-American Development Bank, undertook to review its procurement systems and develop an action plan for their reform. Haiti is not a signatory of the WTO Agreement on Government Procurement.

Additional Issues

Nationalization/Expropriation: There is one active case of nationalization or expropriation of U.S. citizen property by the Haitian government. There is no evidence of the country failing to act in good faith in recognizing arbitral awards in favor of U.S. citizens.

Extradition: Haiti and the United States are parties to an extradition treaty that entered into force in 1905. Though the Haitian Constitution prohibits the extradition of its nationals, Haitians under indictment in the United States have been returned to the United States by non-extradition means.

Jamaica

Population: 2,909,714 (July 2013 est.)

Per Capita GDP: \$9,300 (2012 est.)

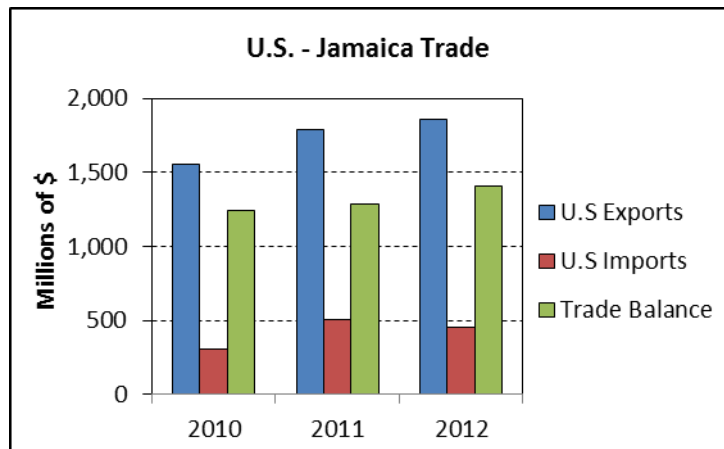
Department of Commerce 2012

Trade Statistics

U.S. Exports \$1,862,475,219

U.S. Imports \$457,096,880

U.S. Trade Balance \$1,405,378,339



Economic Review: The Jamaican economy is heavily dependent on services (primarily tourism), which account for nearly 65 percent of GDP. The country derives most of its foreign exchange from tourism, remittances, and bauxite/alumina exports. Remittances account for nearly 15 percent of GDP. Jamaica was hard hit by the effects of the global economic crisis with the economy contracting by one percent a year on average between 2008 and 2012. Growth remains low, but the IMF projects 0.4 percent growth in 2013 and 1.3 percent in 2014. Tropical Storm Nicole struck the island in September 2010, causing widespread damage to basic infrastructure such as roads and bridges. Damage from the storm was estimated at over \$200 million. The IMF reported a public debt at almost 143 percent of GDP in May of 2013, a 15.4 percent unemployment rate in July 2013 and estimated inflation at 10.3 percent end of October 2013. The IMF approved a 48-month, \$932 million Extended Arrangement for Jamaica in May 2013, with Jamaica having successfully completed the first and second reviews of the program. The program front loads an ambitious fiscal consolidation plan to put debt on a downward trajectory and the goal of restarting growth by improving the business climate.

The government is facing the challenge of having to achieve fiscal discipline in order to maintain debt payments, while simultaneously attacking a serious crime problem that is hampering economic growth. High unemployment exacerbates the crime problem, including gang violence that is fueled by the drug trade. Fiscal consolidation under the IMF program, which will lower public sector employment, will compound this challenge. A World Bank study from 2010 noted that economic growth is needed to provide alternative employment to gang members as the narco-economy shrinks.

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: As a member of the WTO, Jamaica has agreed to provide equitable and reasonable access to goods from the United States and other WTO Members. Jamaica has demonstrated its commitment to undertake its WTO obligations. Since the late 1980s, Jamaica has been the major proponent of regional economic integration. The country was among the first

to reduce duties on goods from CARICOM countries and has been spearheading efforts to get the CARICOM Single Market and Economy on track.

Protection of Intellectual Property: Jamaica has been on the Special 301 Watch List since 1998 because of concerns about Jamaica's compliance with the WTO TRIPS agreement. The annual USTR Special 301 report has cited U.S. concerns with Jamaica's continuing failure to enact the Patents and Designs Act, which would implement Jamaica's obligations under the TRIPS Agreement, and the 1994 U.S.-Jamaica Intellectual Property Agreement. Draft patent legislation is currently under review by the Chief Parliamentary Council of Jamaica. Under the U.S.-Jamaica Bilateral Intellectual Property Rights Agreement, a directive from the Attorney General's Chambers grants immediate protection in Jamaica for patents approved in the United States.

The Copyright Act of 1993, as amended, covers works ranging from books and music to computer programs. The Act needs to be amended to give full effect to the provisions of the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT) to which Jamaica became a party in 2002. Jamaica's copyright enforcement record has improved, with law enforcement making arrests for copyright infringements.

The Trademark Act of 1999 provides owners of registered trademarks exclusive rights for up to 10 years, which are renewable. The Layout Designs Act, which has been in effect since June 1999, provides protection for layout-designs for integrated circuits and gives right-owners the exclusive right to reproduce, import, sell or otherwise commercially exploit the layout-design. Protection for trade secrets is provided under Jamaican commercial law, however Jamaica has yet to enact patent legislation to implement its obligation under the WTO.

Provision of Internationally Recognized Worker Rights: Jamaica has ratified all eight of the core labor conventions. These eight are Conventions 87 and 98 on freedom of association and collective bargaining, Conventions 29 and 105 on the elimination of forced and compulsory labor, Conventions 138 and 182 on the abolition of child labor, and Conventions 100 and 111 on the elimination of discrimination in respect of employment and occupation.

According to the State Department's 2010 Human Rights Report, the law states that collective bargaining is denied to a bargaining unit if no single union represents at least 40 percent of the workers in the unit or when the union seeking recognition does not obtain support from 50 percent of the workers, whether or not workers are affiliated with the union. The ILO Committee of Experts requested the Government of Jamaica to change this threshold, but the Government of Jamaica expressed no intention to change the existing law.

Jamaica has an estimated labor force of approximately 1.2 million, of which about 20 percent are unionized. Worker rights in Jamaica are defined and protected under the Labor Relations and Industrial Disputes Act. Workers generally enjoy full rights of association, as well as the right to organize and bargain collectively. Collective bargaining is denied to a bargaining unit if no single union represents at least 40 percent of the workers in the unit or when the union seeking recognition does not obtain support from 50 percent of the workers (whether or not they are affiliated with the union) which has been criticized by the ILO. Some union workers charged

that private sector employers laid them off and then rehired them as contractors with reduced pay and benefits, a practice that was legal as long as workers received severance pay. This practice was challenged in the Jamaican legal system. In July 2009 the Court of Appeals upheld a 2005 decision by the independent Industrial Disputes Tribunal (IDT), which hears disputes in collective bargaining cases, in favor of a representational rights poll for contract workers.

According to the 2012 State Department Human Rights Report, the minimum wage was \$56.18 per week for all workers. The law provides for a standard 40-hour workweek and mandates at least one day of rest per week. Work in excess of 40 hours per week or eight hours per day must be compensated at overtime rates, a provision employers generally respected. The labor force participation rate of women in Jamaica during 2011 was 57 percent as compared to 70 percent for men, while the unemployment rate in the same year for women was 16.5 percent versus nine percent among men.

Also, according to the 2012 Human Rights Report, while, the government in general effectively enforced applicable laws, the effectiveness of applicable remedies and penalties was mitigated by the ability of defendants to appeal and tie the case up in the court system for years. The ILO has also expressed concern that the Minister of Labor has broad power to refer industrial disputes to arbitration, including disputes that were not in essential public services.

Commitments to Eliminate the Worst Forms of Child Labor: According to the Department of Labor's 2012 *Findings on the Worst Forms of Child Labor*, children in Jamaica are engaged in the worst forms of child labor, particularly in sexual exploitation. There is also evidence of children's involvement in pornography. In 2012, Jamaica made moderate advancements to eliminate the worst forms of child labor. The Government completed baseline surveys through TACKLE, a global child labor program and the Government also drafted a National Policy on Child Labor and a new Plan of Action to Combat Human Trafficking in Persons. But these plans are still under review.

In March 2004 Jamaica passed the Child Care and Protection Act (CCPA). The CCPA implements the Government of Jamaica's strategy to eliminate the worst forms of child labor, and establishes a framework within which all forms of child abuse may be proscribed. The CCPA establishes the minimum age for employment at 15 and permits children ages 13 and 14 to engage in light work that the Minister of Labor has legal responsibility to define. This law also sets the minimum age for hazardous work, including industrial labor and night work, at 18.

Parliament is reviewing an Occupational Health and Safety Act that outlines harsher punishments for those that engage children in illegal labor, and extends the possibility of child labor investigations into the informal sector. Beginning in 2011, the government implemented a new baseline survey to gauge the scale of child labor in Jamaica, which will offer a more complete perspective on the issue. Jamaica cooperates with non-governmental organizations such as Children First and RISE Life Management Services to help prevent child labor. In 2012, Jamaica signed a Memorandum of Understanding with ILO-IPEC, and has a National Steering Committee for the Protection of Children to facilitate a "master strategy" in dealing with child labor.

Children in Jamaica are victims of commercial sexual exploitation. Children work on the streets as beggars and in forced labor situations as street vendors and are also found to work in agriculture and construction. They are also used in various illicit activities, including financial scams and drug and gun couriers. More limited evidence suggests that children also collect garbage in dumps and that they also work in the fishing industry and in domestic service, and there were reports of child prostitution and of children trafficked into domestic servitude and forced labor.

Counternarcotics Cooperation: The President has identified Jamaica as a major drug transit or major illicit drug producing country under the provision of the FRAA. Jamaica was not, however, designated as having “failed demonstrably” to make substantial efforts during the previous 12 months to adhere to international counternarcotics agreements and to take measures specified in U.S. law.

Jamaica continues to be the largest Caribbean supplier of marijuana to the United States. Cocaine and synthetic drugs are not produced locally, but Jamaica is a transit point for cocaine trafficked from Central and South America to North America. Cooperation between Jamaica and the United States in efforts to curb narcotics and related transnational crime remains strong overall. The United States’ primary Jamaican partners are the Jamaican Constabulary Force (JCF) and the Jamaican Defense Force, which are both under the administration of the Ministry of National Security.

The United States supports counternarcotics projects in Jamaica designed to increase the capacity of its law enforcement agencies in order to reduce the trafficking of illicit narcotics through Jamaica. The United States seeks to sustain improvements in law enforcement capabilities through modernization and professionalization of the JCF while maintaining a strong and corruption-free law enforcement institution.

Implementation of the Inter-American Convention Against Corruption: Jamaica became a party to the United Nations Convention Against Corruption in March 2008 and ratified the IACAC in March 2001.

The Jamaican Corruption Prevention Act became operational in 2003. Under this Act, public servants can be imprisoned for up to 10 years and fined up to \$160,000 if convicted of engaging in acts of bribery. Jamaican individuals and companies are also criminally liable if they bribe foreign public officials, facing the same penalties as public servants. The Act also contains provisions for the extradition of Jamaican citizens for crimes of corruption. The JCF has embarked on strategies to combat corruption within the police force.

Transparency in Government Procurement: Government procurement is generally conducted through open tenders or direct advertising, or by invitation to registered suppliers. U.S. firms are eligible to bid. The range of manufactured goods produced locally is relatively small, so there are few instances of foreign goods competing with domestic manufacturers. Companies interested in supplying office supplies to the government must register with the Financial Management Division of the Ministry of Finance.

According to the Government of Jamaica, the country's Public Sector Procurement Regulations were issued in 2008 pursuant to the Contractor-General Act with the aim of regulating more stringently the procurement of general services, goods and works by making the duty to observe procurement procedures legally enforceable and subject to penal sanction.

Jamaica is not a signatory of the WTO Agreement on Government Procurement.

Additional Issues

Nationalization/Expropriation: In March 1997, a bilateral investment treaty between the United State and Jamaica entered into force. Property rights are protected under Section 18 of the Jamaican Constitution. The Land Acquisition Act allows government expropriation of land, but requires that compensation be paid based on market value. Although the Act allows for expropriating land prior to payment, landowners are entitled to accrue interest on the monies they are owed for the period between government expropriation and final payment.

Preferential Treatment: As a member of CARICOM, Jamaica is a party to the Economic Partnership Agreement with the European Union.

Arbitral Awards: Jamaica has been a signatory to the International Center for Settlement of Investment Disputes (ICSID) since 1965. Commercial disputes that are not resolved in the local courts may be brought to arbitration under the ICSID. ICSID awards are enforceable by the Jamaican courts. Jamaican courts enforce property and contractual rights through four statutes, under which the judgments of foreign courts are accepted and enforced in all cases in which there is a reciprocal enforcement of judgment treaty with the relevant foreign nation. There have been cases of trademark infringements in which U.S. firms took action and were granted restitution in the local courts.

Extradition: Jamaica is a signatory to both a Mutual Legal Assistance Treaty and an Extradition Treaty regarding U.S. citizens, Jamaicans, and third-country nationals.

Trinidad and Tobago

Population: 1,225,225 (July 2013 est.)

Per Capita GDP: \$20,400 (2012 est.)

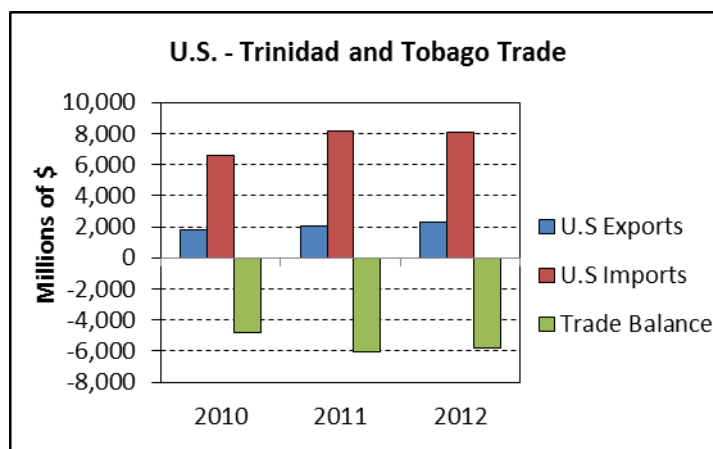
Department of Commerce 2012

Trade Statistics

U.S. Exports \$2,268,897,239

U.S. Imports \$8,076,775,939

U.S. Trade Balance -\$5,807,878,700



Economic Review: Trinidad and Tobago is the leading Caribbean producer of oil and natural gas, and its economy is primarily based on these natural resources. Trinidad and Tobago is the world's largest exporter of ammonia and methanol, and one of the largest exporters of liquefied natural gas (LNG) in the world. In 2010, the energy sector accounted for more than 40 percent of the country's GDP and 80 percent of its export earnings. The country has a well-developed manufacturing sector that supplies manufactured goods to other Caribbean countries.

While fiscal policy has generally been restrained, rising spending coupled with a tight labor market have contributed to inflation. The IMF projects inflation for 2013 at 5.6 percent, down from 9.3 percent for 2012. The economy remained largely immune to the global financial crisis, though falling oil prices and shifting natural gas markets, along with large-scale domestic infrastructure projects contributed to five straight years of budget deficits since 2008. In 2012, economic growth was moderate, at 0.2 percent. The IMF projects real GDP growth of 1.6 percent for 2013. The Central Bank of Trinidad and Tobago reported a 4.8 percent unemployment rate for 2012.

The government of Trinidad and Tobago has sought to diversify the economy and reduce its reliance on the energy sector by stimulating non-energy-related economic activities such as yachting, fish and fish processing, music, film entertainment, food and beverages, and packaging. The government is also working to bolster tourism, which is an important component of the economy, especially for Tobago, along with remittances from citizens living and working abroad. The country is also a regional financial center with a well-regulated and stable financial system

Commitment to undertake WTO obligations and participate in negotiations toward the FTAA or another FTA: Trinidad and Tobago has been a Member of the WTO since 1995 and is an active participant in CARICOM.

Protection of Intellectual Property: Trinidad and Tobago has a relatively strong IPR-protection regime compared to many other CBI countries, and the government's Intellectual Property

Office is a leader in the region. Trinidad and Tobago passed the Copyright Amendment Act in April 2008. Trinidad and Tobago acceded to the WPPT and the WCT in November 2008.

However, the government of Trinidad and Tobago continues to fail to enforce its own broadcast licensing regulations by allowing foreign owned broadcaster, FLOW, to broadcast music and video programming without the authorization or compensation of songwriters who own rights in the music, depriving U.S. and Caribbean artists of royalties. As a result, in 2013 Trinidad and Tobago was placed on the Special 301 Watch List.

Provision of Internationally Recognized Worker Rights: Trinidad and Tobago has ratified all eight of the ILO core labor conventions. These eight are Conventions 87 and 98 on freedom of association and collective bargaining, Conventions 29 and 105 on the elimination of forced and compulsory labor, Conventions 138 and 182 on the abolition of child labor, and Conventions 100 and 111 on the elimination of discrimination in respect of employment and occupation.

The Industrial Relations Act (IRA) provides that all workers, including those in state-owned enterprises, may form and join unions of their own choosing without prior authorization. However, the IRA does not recognize domestic workers and they do not have the right to join a union. The IRA provides for the mandatory recognition of a trade union when it represents 51 percent or more of the workers in a specified bargaining unit. An estimated 20 percent of the work force is organized in approximately 24 active unions. Workers in essential services, such as police and teachers, do not have the right to strike, and walkouts can be punished by up to 18 months in prison. The government of Trinidad and Tobago has not indicated that it plans to amend its legislation on “essential services” and collective bargaining to conform to ILO conventions. A union also may bring a request for enforcement to the Industrial Court, which may order employers found guilty of anti-union activities to reinstate workers and pay compensation, or may impose other penalties including imprisonment. Although the law allows unions to conduct their activities freely; however, there were restrictions on collective bargaining and strikes.

The Minimum Wages Order (1999) established a 40-hour workweek, time and a half pay for the first four hours of overtime on a workday; double pay for the next four hours and triple pay thereafter. For holidays and days off, the act provides for double pay for the first eight hours and triple pay thereafter. Where workers work only four days in the week the normal work day must not exceed ten hours. The Order also mandates meal and rest breaks for workers. However, the Order only applies to workers who receive an hourly rate of TT\$12.50 (\$1.98) or less, so many workers are excluded.

The Minimum Age for Admission to Employment Act sets the minimum age for employment at 16 years. However, children 14 to 16 years old may work in activities in which a family member is employed or if they are enrolled in a vocational or technical training school. Children under 18 years are prohibited from working between 10 p.m. and 5 a.m., except in a family business or with other exceptions.

Commitments to Eliminate the Worst Forms of Child Labor: According to the Department of Labor’s 2012 Findings on the Worst Forms of Child Labor, available information indicates that

the worst forms of child labor are not a large problem in Trinidad and Tobago. However, some children engage in the worst forms of child labor, primarily in the small-scale agricultural sector, which commonly involves activities such as the use of potentially dangerous machines, tools, and pesticides and carrying heavy loads. Trinidad and Tobago made moderate steps to eliminate the worst forms of child labor in 2011-2012. The Trafficking in Persons Act of 2011 was enacted, enabling enforcement officials to implement the law, and the Children Act of 2012 was adopted in an effort to strengthen legislative frameworks protecting the rights of children. The Government also created a Counter Trafficking unit to assist victims and investigate child trafficking cases. However, the Government has yet to conduct the planned national child labor surveys to assess the prevalence of the problem and has not established a clear minimum age for hazardous labor.

The government has established a multiagency Human Trafficking Task Force to draft legislation, develop victim assistance policies and raise public awareness. The Children's Authority is responsible for ensuring the well-being of children but is not currently operational. The government established the Child Protection Task Force in October 2010 to protect children and educate communities about child abuse, including child labor, until the Children's Authority is active, however, as of this reporting period, it is no longer operational.

The Ministry of Labor and Small and Micro-Enterprise (MLSME), the Ministry of the People and Social Development, the police and the family courts are responsible for monitoring and enforcing child labor laws. The Ministry of the People and Social Development drafted its Revised National Plan of Action for Children, which includes specific goals for combating commercial sexual exploitation of children and exploitive child labor, but it has yet to be adopted. The government also participated in a regional initiative to combat the worst forms of child labor, implemented by the ILO's International Program for the Elimination of Child Labor.

Counternarcotics Cooperation: The President has not designated Trinidad and Tobago as a major drug transit or major illicit drug producing country under the FRAA. The government has remained cooperative with the United States in the regional fight against narcotics trafficking.

According to the 2011 State Department International Narcotics Control Strategy Report, Trinidad and Tobago continues to be committed to narcotics control. Trinidad and Tobago has dedicated resources through the Organized Crime, Narcotics, and Firearms Bureau, the Counter Drug and Crime Task Force, the Criminal Investigation Unit, the Trinidad and Tobago Coast Guard, the Customs and Excise Marine Interdiction Unit, the National Drug Council, and the National Alcohol and Drug Abuse Prevention Programmed.

In late 2010, three new passenger x-rays were installed in Trinidad's Piarco International Airport, replacing older models that were not fully functional. The government's 2010 budget shows investment in new equipment such as radars and increased Trinidad and Tobago Defense Force training. Trinidad and Tobago has purchased four helicopters for the Air Guard, two to be delivered in mid-2011, and the others in 2012. These will be used for surface surveillance and drug interdiction, among other functions. Lastly, the government is reviewing ways to improve the Coast Guard's marine interdiction capacity, and several of its stations were allocated funds for upgrades in 2010.

Implementation of the Inter-American Convention against Corruption: Trinidad and Tobago signed and ratified the IACAC in 1998. In 2000, the government established an Integrity Commission to make new provisions for the prevention of corruption of persons in public life by providing for public disclosure of assets and to promote the integrity of public officials and institutions. The Integrity in Public Life Act mandates that public officials disclose their assets, income, and liabilities to the Integrity Commission. According to the State Department's 2012 *Country Reports on Human Rights Practices*, officials and candidates for public office were reluctant to comply with asset disclosure rules, primarily because of the perceived invasiveness of the process. The act stipulates a process when public officials fail to disclose assets and provides criminal penalties for failure to comply. The law clearly states which assets, liabilities, and interests public officials must declare. In addition it requires the declaration of assets and income of spouses and dependent children. By year's end the Commission publicly listed 379 officials who failed to comply during 2009-10. The Integrity Commission annually lists in the newspapers public officials who fail to publically list their assets, as is required by the Integrity Act.

Transparency in Government Procurement: Trinidad and Tobago has established procurement processes. A number of U.S. companies have secured government service contracts in Trinidad and Tobago in recent years. Trinidad and Tobago is not a signatory of the WTO Agreement on Government Procurement.

Additional Issues

Nationalization/Expropriation: A claim of expropriation, fraud, and misrepresentation was filed by a U.S.-based firm against the state-owned oil company Petrotrin in 2010. The judge in that matter ordered the parties into arbitration pursuant to the underlying contract terms.

Arbitral Awards: Trinidad and Tobago signed the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1966. There are no reports that Trinidad and Tobago has failed to recognize an arbitral award in favor of U.S. citizens.

Extradition: The United States and Trinidad and Tobago have signed a bilateral Extradition Treaty and Mutual Legal Assistance Treaty in Criminal Matters. Both treaties were signed on March 4, 1996, and ratified soon thereafter. In 2011, a Trinidadian court refused to extradite two businessmen accused of laundering money through the United States during the Piarco Airport redesign. The court based its decision on the fact that the alleged crime occurred in Trinidad and Tobago and, as such, the two businessmen should be tried in Trinidad and Tobago.

Summary Of Public Comments

Four individuals or organizations responded to the Trade Policy Staff Committee's solicitation of comments from the public in connection with preparation of this report. The notice and solicitation of comments was published in the *Federal Register* of October 3, 2013. The full texts of these submissions are available for review at the *Regulations.gov* Web site, under docket number USTR-2013-0036.

American Society of Composers Authors and Publishers

The American Society of Composers Authors and Publishers (ASCAP) is the oldest and largest U.S. performing rights organization (PRO). ASCAP licenses, on behalf of composers, songwriters and music publisher members, the right to perform publicly copyrighted musical works. ASCAP said that the cable television operators in Trinidad and Tobago, Jamaica, Grenada, Belize, Dominica, Antigua and Barbuda, St. Lucia, St. Vincent and the Grenadines, and Barbados broadcast U.S. musical works without a license. ASCAP also said that U.S. musical works are also publicly performed in radio and television broadcasts throughout the Caribbean without obtaining licenses from the relevant performing rights organizations.

International Intellectual Property Alliance

The International Intellectual Property Alliance (IIPA), a private sector coalition that represents U.S. copyright-based industries in bilateral and multilateral efforts to improve international protection of copyrighted materials and open up foreign markets closed by piracy and other market access barriers, recommended that the U.S. government urge CBERA beneficiary countries to promptly ratify the WCT and the WPPT and implement those obligations into domestic law.

IIPA also highlighted what it considered to be the copyright sectors' major piracy problems in the region: unauthorized duplication of optical disks; challenges to copyright enforcement; piracy of business software, sound recordings, music, and entertainment software; satellite signal theft and cable piracy; and unauthorized commercial photocopying.

Trinidad and Tobago Coalition of Services Industries

The Trinidad and Tobago Coalition of Services Industries ("TTCSI") is a private sector coalition that represents services industries in Trinidad and Tobago. TTCSI expressed its perspective on the evolution and success of the CBI program, its strong support for the program, as well as possibilities for the program in the future. TTCSI noted that while the current CBI program is based on trade in goods, some 75 percent or more of the current Caribbean basin economy is based on trade in services, something not currently part of CBI preferences. The statement notes that the region's exports of goods to the U.S. market has declined as the CARICOM countries meet increasing competition from China and other Asian competitors, as well as African countries receiving AGOA preferences. The statement suggests proximity to the U.S. market

might help promote joint ventures in the services area between the U.S. and Caribbean firms to serve as services hubs between the United States and the EU, given the EU-CARIFORUM Economic Partnership Agreement. The statement also suggests that existing U.S.-CARICOM bilateral investment treaties or Trade and Investment Framework Agreements should be expanded to areas like renewable energy resources, cultural industries, and nontraditional tourism activities such as eco-tourism and medical tourism. Finally, the statement recommended expanding the CBI to cover trade in services through categories delineated in world-class services agreements, such as cross-border trade, consumption abroad, commercial presence and the movement of people.

Advanced Access Content System Licensing Administrator, LLC

Advanced Access Content System Licensing Administrator, LLC (“AACS LA”) is a company established by eight companies (IBM, Intel, Microsoft, Panasonic, Sony, Walt Disney, Toshiba, and Warner Bros.) from three different industries – motion picture content providers, consumer electronics, and information technology – to develop and license content protection technology to protect high definition motion picture content from unauthorized reproduction and distribution. AACS LA states that Antigua and Barbuda (“Antigua”) is not providing “adequate and effective” protection of intellectual property rights in that the substantial and continuing delay of the investigation and prosecution of an Antiguan company, Slysoft, Inc., for violations of Antigua’s anti-circumvention laws has enabled Slysoft’s products to be used to infringe copyrights in motion picture content on pre-recorded blu-ray discs worldwide.

Appendix 1

U.S. Imports from CBI Countries by Selected Import Programs 2010-2012 and January-August 2012 and 2013¹											
Country ²	Import Program ³	2010		2011		2012		2012 January - August		2013 January - August	
		Thousand \$	% of Total	Thousand \$	% of Total	Thousand \$	% of Total	Thousand \$	% of Total	Thousand \$	% of Total
Antigua and Barbuda	CBERA	21	0.4	23	0.4	30	0.3	30	0.5	8	0.1
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	5,234	95.3	6,069	93.5	9,446	97.3	5,764	96.5	6,408	96.7
	Dutiable imports	236	4.3	399	6.1	228	2.3	182	3.0	212	3.2
	Total	5,491	100.0	6,492	100.0	9,704	100.0	5,975	100.0	6,628	100.0
Aruba	CBERA	566	3.1	249	0.0	27	0.0	27	0.0	14	0.0
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	17,244	93.3	128,840	4.1	55,431	7.4	38,260	5.3	18,960	65.7
	Dutiable imports	679	3.7	3,040,562	95.9	691,182	92.6	686,730	94.7	9,863	34.2
	Total	18,489	100.0	3,169,651	100.0	746,640	100.0	725,016	100.0	28,837	100.0
Bahamas	CBERA	98,989	14.3	123,854	15.5	130,309	24.8	84,867	23.3	97,605	24.8
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	346,807	50.2	388,619	48.8	340,615	64.9	256,938	70.6	212,082	53.9
	Dutiable imports	245,514	35.5	284,491	35.7	53,551	10.2	22,014	6.1	83,940	21.3
	Total	691,310	100.0	796,965	100.0	524,475	100.0	363,818	100.0	393,627	100.0
Barbados	CBERA	7,233	17.0	4,491	7.7	3,812	7.1	2,586	7.0	837	2.3
	CBTPA	0	0.0	2	0.0	0	0.0	0	0.0	0	0.0
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	34,109	80.3	40,575	69.7	48,537	90.1	33,183	90.4	35,755	96.7
	Dutiable imports	1,150	2.7	13,153	22.6	1,550	2.9	925	2.5	398	1.1
	Total	42,492	100.0	58,222	100.0	53,900	100.0	36,695	100.0	36,990	100.0
Belize	CBERA	23,906	19.9	36,317	20.5	30,276	18.9	24,265	21.2	23,707	26.2
	CBTPA	37,838	31.4	109,728	62.0	101,622	63.4	72,432	63.3	50,416	55.8
	GSP	2,626	2.2	2,136	1.2	1,668	1.0	1,511	1.3	654	0.7
	Otherwise duty-free	30,883	25.7	26,565	15.0	26,015	16.2	15,811	13.8	14,721	16.3
	Dutiable imports	25,140	20.9	2,278	1.3	782	0.5	348	0.3	895	1.0
	Total	120,394	100.0	177,024	100.0	160,362	100.0	114,366	100.0	90,392	100.0
British Virgin	CBERA	86	0.5	136	2.1	451	3.6	451	11.0	97	1.9
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

Islands	Otherwise duty-free	17,527	92.1	4,345	68.6	9,414	75.2	1,685	41.2	3,561	71.3
	Dutiable imports	1,412	7.4	1,853	29.3	2,647	21.2	1,950	47.7	1,335	26.7
	Total	19,025	100.0	6,334	100.0	12,512	100.0	4,086	100.0	4,993	100.0
Dominica	CBERA	53	3.3	149	8.3	117	6.7	81	7.3	96	5.2
	GSP	0	0.0	44	2.4	38	2.2	29	2.6	4	0.2
	Otherwise duty-free	1,431	88.5	1,509	84.3	1,501	86.1	931	83.7	1,715	91.9
	Dutiable imports	132	8.2	88	4.9	88	5.1	72	6.4	50	2.7
	Total	1,616	100.0	1,790	100.0	1,745	100.0	1,112	100.0	1,866	100.0
Grenada	CBERA	150	2.0	257	3.9	341	4.1	286	4.1	138	1.8
	GSP	0	0.0	0	0.0	13	0.2	13	0.2	0	0.0
	Otherwise duty-free	7,151	94.4	5,963	89.5	7,560	91.0	6,335	91.7	6,820	91.5
	Dutiable imports	278	3.7	446	6.7	393	4.7	276	4.0	499	6.7
	Total	7,579	100.0	6,665	100.0	8,308	100.0	6,910	100.0	7,457	100.0
Guyana	CBERA	6,902	2.3	6,801	1.6	313	0.1	253	0.1	179	0.1
	CBTPA	3,730	1.2	4,328	1.0	4,987	1.0	2,854	0.9	3,064	0.9
	GSP	12,961	4.3	5,360	1.3	1,914	0.4	1,853	0.6	778	0.2
	Otherwise duty-free	277,409	91.8	404,580	95.5	506,103	98.2	322,244	98.1	322,143	98.2
	Dutiable imports	1,168	0.4	2,400	0.6	1,804	0.4	1,352	0.4	1,827	0.6
	Total	302,171	100.0	423,469	100.0	515,121	100.0	328,557	100.0	327,990	100.0
Haiti	CBERA	8,223	1.5	13,250	1.8	12,591	1.6	11,332	2.3	16,482	3.0
	CBTPA	355,891	64.6	461,352	62.2	424,192	54.8	279,826	55.6	237,562	43.7
	GSP	1,752	0.3	469	0.1	473	0.1	353	0.1	409	0.1
	HOPE Acts	162,231	29.5	230,522	31.1	306,051	39.5	189,671	37.7	274,164	50.4
	Otherwise duty-free	20,117	3.7	22,631	3.1	26,823	3.5	20,000	4.0	13,297	2.4
	Dutiable imports	2,619	0.5	13,333	1.8	3,828	0.5	2,004	0.4	2,084	0.4
	Total	550,833	100.0	741,557	100.0	773,959	100.0	503,186	100.0	544,000	100.0
Jamaica	CBERA	83,910	27.3	179,034	35.4	206,041	45.1	87,102	34.0	70,144	24.0
	CBTPA	0	0.0	11	0.0	5	0.0	5	0.0	0	0.0
	GSP	7,312	2.4	1,185	0.2	10,065	2.2	4,306	1.7	13,859	4.7
	Otherwise duty-free	182,528	59.5	319,650	63.2	194,088	42.5	135,554	52.9	160,888	55.0
	Dutiable imports	33,108	10.8	5,524	1.1	46,897	10.3	29,046	11.3	47,495	16.2
	Total	306,859	100.0	505,405	100.0	457,097	100.0	256,013	100.0	292,387	100.0
Montserrat	CBERA	0	0.0	0	0.0	24	1.3	24	1.6	0	0.0
	GSP	0	0.0	0	0.0	37	2.0	5	0.3	0	0.0
	Otherwise duty-free	413	80.2	349	57.3	1,347	73.2	1,061	70.1	289	67.8
	Dutiable imports	102	19.8	260	42.7	433	23.5	423	28.0	137	32.2

	Total	514	100.0	608	100.0	1,841	100.0	1,512	100.0	427	100.0
Netherlands Antilles	CBERA	988	0.1	0	0.0	0	0.0	0.0	0.0	0.0	0.0
	GSP	0	0.0	0	0.0	0	0.0	0.0	0.0	0.0	0.0
	Otherwise duty-free	145,192	17.2	0	0.0	0	0.0	0.0	0.0	0.0	0.0
	Dutiable imports	700,040	82.7	0	0.0	0	0.0	0.0	0.0	0.0	0.0
	Total	846,219	100.0	0	0.0	0	0.0	0	0.0	0	0.0
Panama	CBERA	28,420	7.6	54,976	14.2	26,081	6.0	24,413	8.5	0	0.0
	CBTPA	15	0.0	208	0.1	238	0.1	192	0.1	0	0.0
	GSP	10,192	2.7	956	0.2	23,754	5.5	20,227	7.0	0	0.0
	Otherwise duty-free	330,667	87.9	322,700	83.2	372,679	86.1	236,639	82.2	0	0.0
	Dutiable imports	6,773	1.8	9,250	2.4	9,856	2.3	6,374	2.2	0	0.0
	Total	376,068	100.0	388,090	100.0	432,608	100.0	287,845	100.0	0	0.0
St. Kitts and Nevis	CBERA	20,466	40.4	27,273	49.9	22,350	39.4	15,014	39.0	12,309	34.3
	GSP	413	0.8	418	0.8	198	0.3	125	0.3	156	0.4
	Otherwise duty-free	25,231	49.9	21,908	40.1	29,031	51.2	19,818	51.5	19,036	53.1
	Dutiable imports	4,494	8.9	5,015	9.2	5,121	9.0	3,517	9.1	4,352	12.1
	Total	50,605	100.0	54,614	100.0	56,700	100.0	38,473	100.0	35,853	100.0
St. Lucia	CBERA	9,199	51.7	1,889	10.5	1,836	12.1	1,133	10.6	1,366	13.5
	CBTPA	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	GSP	652	3.7	498	2.8	33	0.2	33	0.3	6	0.1
	Otherwise duty-free	4,654	26.2	7,216	40.2	7,658	50.5	5,737	53.5	5,298	52.3
	Dutiable imports	3,277	18.4	8,362	46.5	5,646	37.2	3,827	35.7	3,457	34.1
	Total	17,781	100.0	17,965	100.0	15,173	100.0	10,730	100.0	10,128	100.0
St. Vincent and the Grenadines	CBERA	124	7.0	88	4.6	138	5.9	96	6.6	32	1.8
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	1,497	84.1	1,793	92.5	2,138	91.8	1,307	90.3	1,626	92.9
	Dutiable imports	158	8.9	58	3.0	54	2.3	45	3.1	93	5.3
	Total	1,779	100.0	1,939	100.0	2,330	100.0	1,447	100.0	1,751	100.0
Trinidad and Tobago	CBERA	931,934	14.2	1,291,210	15.8	1,068,871	13.2	759,983	13.3	814,014	18.0
	CBTPA	1,273,877	19.4	1,303,256	16.0	1,102,336	13.6	827,449	14.5	269,398	6.0
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	3,587,364	54.5	4,044,856	49.6	4,133,729	51.2	2,702,133	47.4	2,731,403	60.4
	Dutiable imports	783,946	11.9	1,519,332	18.6	1,771,840	21.9	1,414,529	24.8	709,540	15.7
	Total	6,577,121	100.0	8,158,653	100.0	8,076,776	100.0	5,704,094	100.0	4,524,355	100.0

¹ Imports for consumption, customs value.

² Values for U.S. trade with CBERA countries include individual country trade data only for those months in the period during which those countries were eligible for CBERA benefits. The Netherlands Antilles was dissolved as a political entity on October 10, 2010 and the U.S.-Panama TPA entered into force on October 31, 2012.

³ CBTPA-eligible countries currently consist of Barbados, Belize, Guyana, Haiti, Jamaica, St. Lucia, and Trinidad and Tobago. Panama was a CBTPA-eligible country until October 31, 2012.

Source: Compiled from official statistics of the U.S. Department of Commerce.