

Country Assistance Policy for Saint Vincent and the Grenadines

April, 2014

1. Relevance of Assistance

(1) Relevance of Assistance to CARICOM (the Caribbean Community¹)

Saint Vincent and the Grenadines is a member state of CARICOM, which is comprised of a number of Caribbean countries. These countries have commonalities with Japan, such as frequent natural disasters, like hurricanes, earthquakes and tsunamis. Another commonality the CARICOM has with Japan is its focus on promoting the sustainable use of living marine resources.

These CARICOM countries are vulnerable to climate change and natural disasters; they have small populations and economies; and, their economies are based on industries, which are susceptible to external factors, such as agriculture, fisheries and tourism.

To overcome common challenges faced in the Caribbean region, such as natural disasters, it is important that the CARICOM utilizes the experience and knowledge of Japan in overcoming natural disasters in order to promote socio-economic stability and sustainable growth across the region.

(2) Relevance of Assistance to St. Vincent and the Grenadines

Saint Vincent and the Grenadines and Japan share similar values, such as democracy and rule of law, and are closely cooperating with each other in the international arena. Saint Vincent and the Grenadines, located in the eastern Caribbean Sea and comprised of over 30 islands, is a member of the Organization of Eastern Caribbean States (OECS). The OECS is comprised of eastern Caribbean nations which have similar geographical condition and economic scale.

¹ CARICOM (Caribbean Community) was formed by dissolving CARIFTA (Caribbean Free Trade Association) into a new organization for the purpose of economic integration of the Caribbean countries; coordination of foreign policy; the promotion of cooperation health-care and education, etc. in 1973. Its Secretariat is located in Georgetown, Guyana. Members are 14 States and 1 overseas territory.

The main industries of Saint Vincent and the Grenadines are agriculture, which centers upon exporting bananas, and tourism. However, the banana industry has been negatively affected by the EU's decision to discontinue special privileges, i.e. low import duties, which were previously accorded to Saint Vincent and the Grenadines

The economic structure of Saint Vincent and the Grenadines is vulnerable to external factors; thus, industrial diversification is important for the island state.

Reducing the risk of natural disasters, such as recurrent hurricanes, is also an important issue.

Japan's assistance for the economic and social development of Saint Vincent and the Grenadines is expected to enhance bilateral relations and can also have positive effects on relationships with the other OECS countries as they can benefit from knowledge sharing.

2. Basic Policy of Assistance : Overcoming Vulnerability (common to all CARICOM member countries)

On the basis of "Partnership for Peace, Development and Prosperity between Japan and the Member States of the Caribbean Community (CARICOM)²", which was adopted in the 2nd CARICOM foreign ministers' meeting in September 2010, the Government of Japan supports environment-friendly sustainable social development efforts and disaster risk management efforts, in order to overcome the vulnerability of CARICOM member countries to climate change.

3. Priority Areas

(1) Environment and Disaster Risk Management

Mitigation and adaptation measures for Natural Disasters and measures for

² This partnership consists of six pillars which indicate the future direction of the Japan-CARICOM relationship i.e. "Overcoming Vulnerability and Promoting Human Security"; "Integration into the Global Economy"; "Environment and Climate Change"; "Assistance for the Reconstruction of Haiti"; "Cooperation in International Fora"; and "Dialogue and Exchange between Japan and the CARICOM".

Climate Change are urgent issues for Saint Vincent and the Grenadines, which has suffered recurrent natural disasters, such as hurricanes and floods. The Government of Japan continues to assist the country in reducing disaster risks and coping with climate change, taking its bio-diversity into consideration.

Solid waste management is an important matter for small island nations in which tourism is the main industry and the Government of Japan provides support in the area of solid waste management, including the promotion of “three Rs (3R)” (Reduce, Reuse and Recycle).

(2) Fisheries

It is considered that Saint Vincent and the Grenadines has fish resources which are currently not in use or developed. Saint Vincent and the Grenadines is focusing on promoting fisheries as an alternative industry to the banana industry, which has declined and is not competitive in the international market.

The Government of Japan continues to provide assistance for sustainable development and management of fisheries with a view to promoting sustainable use of marine living resources, which is also a priority for Japan.

4. Points to be considered

(1) There is a need to reduce dependence on imported fossil fuel as a main energy source for power generation, and the Government of Japan is aware of the need to develop renewable energies and to promote energy efficient technology.

(2) Saint Vincent and the Grenadines has a high poverty rate due to the decline in the banana industry, which employed a large work force. It is important to provide support in the areas of education, public health and vulnerable persons under such a high poverty rate. The Government of Japan pays attention to these areas that do not currently have sufficient government assistance.