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

United States Trade Representative
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Table of Contents

Executive Summary

- The U.S. trade preferences programs for the Central American and Caribbean region were launched in 1983 by the Caribbean Basin Economic Recovery Act (CBERA) and are known collectively as the Caribbean Basin Initiative (CBI). CBI benefits were expanded through the 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, the Haitian Economic Lift Program Act of 2010 (HELP Act), and the Trade Preferences Extension Act of 2015. The CBI reflects Congress's commitment to Caribbean Basin economies through duty-free access to the U.S. market for a wide range of goods.

- Combined with economic reform and other actions taken by beneficiary countries[1] to liberalize their trade regimes, the trade benefits of CBI have both helped beneficiary countries and dependent territories in the region diversify their exports and have contributed to their economic growth.

- The total value of U.S. imports for consumption from beneficiary countries in 2016 was $5.3 billion, a decrease of 24 percent from 2015 and down 58 percent from 2006. U.S. imports under the CBERA program were $870.9 million in 2016, from $1,541.8 in 2015. The decline in U.S. imports from CBI beneficiaries was mostly due to lower petroleum prices and lower imports because of increased domestic U.S. petroleum production. U.S. imports of textiles from CBERA countries also declined by 5 percent.

- The value of U.S. domestic goods exports to the CBI countries in 2016 was $10.5 billion, down 9.9 percent ($1.2 billion) from 2015, but up 22.0 percent from 2006. U.S. exports to CBI countries account for 0.9 percent of total U.S. exports in 2016.

- U.S. total goods trade (total exports + general imports) with the CBI countries was $16.9 billion in 2016. The U.S. goods trade surplus with the CBI countries was $6.1 billion in 2016, an 11.9 percent increase from 2015 and an improvement from a deficit in 2006.

- CBI exporters from certain eligible countries and U.S. companies importing from those countries continue to use the CBTPA provisions extensively. The eligibility criteria contained in the CBI statutes, including the revised factors outlined in the 2000 CBTPA, were designed to advance U.S. policy objectives supported by Congress and past administrations.

[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.

Introduction

The programs known collectively as the Caribbean Basin Initiative (CBI) are important elements in U.S. economic relations with its neighbors in the Caribbean and Central America. The CBI was initially launched in 1983 with the passage of the CBERA and substantially expanded in 2000 with the CBTPA and later with 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 2017, the CBI provides 17 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. U.S. goods exports to the CBI beneficiary countries reached $16.7 billion in 2016.

CBI beneficiary countries are subject to 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.

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

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 rules of origin that make Haiti eligible for additional 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 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 and provided duty-free treatment for additional apparel and textile products. In June 2015, the Trade Preferences Extension Act of 2015 extended trade benefits provided to Haiti in the HOPE Act, Hope II Act, and the HELP Act until September 30, 2025.

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 with the results of the general review of beneficiary countries and their performance under the eligibility criteria. It is clear that beneficiary countries and U.S. industries are actively using the preference provisions. The Administration will continue to work with Congress, the private sector, CBI beneficiary countries, and other interested parties to implement CBERA and assess its performance.

I. Description of Caribbean Basin Initiative

Key Product Eligibility Provisions

CBERA

The Caribbean Basin Economic Recovery Act (CBERA), enacted in 1983, allows the President to grant unilateral duty-free treatment for imports of eligible articles from CBI beneficiary countries.[2] 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 an increase in market access to the United States and to make the CBERA permanent. These amendments expanded the 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.

In addition, the list of products eligible for duty-free treatment was expanded through two Presidential proclamations. In 1991, 94 tariff categories were provided new or expanded duty-free treatment, and in 1992, 28 tariff categories were provided new or expanded duty-free treatment. These proclamations make the scope of the CBERA parallel the Generalized System of Preferences (GSP). Textile and apparel articles, and petroleum and certain products derived from petroleum are excluded from duty-free treatment under the original CBERA.

CBTPA

In October 2000, the United States enacted the Caribbean Basin Trade Partnership Act (CBTPA) to enhance existing CBERA preferences.[3] The CBTPA recognized the significance of apparel as a component of CBI exports to the United States and expanded 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

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[2] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 201, 97 Stat. 384 (1983).
[3] Caribbean Basin Trade Partnership Act, Pub. L. No. 106-200, § 211, 114 Stat. 276 (2000).

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

The Trade Act of 2002 amended the CBERA to grant additional benefits to Caribbean Basin apparel products.[4] Specifically, these changes permit 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 increases the annual quantitative limit for eligible knit apparel articles and nearly doubles the separate limits for t-shirts. The Act also requires 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 United States enacted the Haitian Hemispheric Opportunity through Partnership Encouragement Act in 2006 (HOPE Act) to make Haiti eligible for further trade benefits.[5] Under the CBTPA, apparel imports from Haiti only qualify for duty-free treatment if they are made from yarns and/or fabric from the U.S., Haiti, and in some cases certain former beneficiary countries (i.e. current CAFTA-DR partner countries). The HOPE Act expanded duty-free benefits for Haitian-made apparel to allow the use of yarns and fabrics from other countries. Under the Value-Added quota program, apparel imports from Haiti qualify for duty-free treatment as long as a threshold percentage (currently 50 percent) of the value of inputs and processing costs is from any combination of United States, FTA partner countries, and regional preference program partner countries; the quota level, calculated on an annual basis, is 1.25 percent of total U.S. apparel imports, and has historically been underutilized. The threshold percentage increases to 60 percent during the term of the program.

[4] Trade Act of 2002, Pub. L. No. 107-210, § 101, 116 Stat. 933 (2002).

[5] Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006, Pub. L. No. 109-432, § 5001, 120 Stat. 3180 (2006).

The HOPE Act also introduced a quota program (up to 70 million square meter equivalents (SMEs) annually) for woven apparel, so that as long as the apparel is wholly assembled or knit-to-shape in Haiti, the apparel can be made of yarns and fabrics from any country. Finally, the HOPE Act allows automotive wire harnesses imported from Haiti that contain at least 50 percent by value of materials produced in Haiti, United States, FTA partner countries, or regional preference program beneficiary countries to qualify for duty-free treatment.

The HOPE Act requires that in order to receive benefits, Haiti must demonstrate that it is improving 1) its 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) its system to combat corruption; and 6) the protection of internationally recognized worker rights. Haiti will also lose benefits if it undermines U.S. foreign policy interests, engages in gross violations of human rights, or provides support for acts of international terrorism (see country notes for Haiti, p. 54-57).

HOPE II Act

The Haitian Hemispheric Opportunity through Partnership Act Encouragement Act of 2008 (HOPE II Act) was enacted in 2008 to continue and expand the original HOPE Act.[6] Similar to the woven apparel quota program established in HOPE, the HOPE II Act provides for duty-free access for up to 70 million SMEs of knit apparel (with some t-shirt and sweatshirt exclusions) annually. The HOPE II Act also provides for duty-free treatment of any kind of apparel under an earned import allowance program that provides allowances for the purchase or manufacture of qualifying fabric (sourced from the United States or certain trade partner countries) shipped to Haiti for production of apparel. Those allowances may be used to obtain duty-free treatment on Haitian made apparel regardless of the source of the fabric. The HOPE II Act also provides for duty-free treatment for certain brassieres, luggage, headgear, and certain sleepwear. The HOPE II Act allows these Haitian goods to enter the United States duty-free if shipped either directly from Haiti or through the Dominican Republic.

To meet the labor requirements that Congress included in the HOPE II Act, in 2009 Haiti established an independent labor ombudsman's office and, in cooperation with the International Labor Organization (ILO), established a Technical Assistance Improvement and Compliance Needs Assessment and Remediation (TAICNAR) Program. Haiti 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 the HOPE II Act, 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

[6] Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008, Pub. L. No. 110-246, § 15401, 122 Stat. 2289 (2008).

consistent with such standards, and seek to assist such producers with coming into compliance with core labor standards and related Haitian laws. The President has delegated to the Secretary of Labor, in consultation with the USTR, his authority to identify any such producers and provide remediation assistance to them. For the two-year period ending in December 2015, the U.S. Department of Labor (DOL) and USTR did not identify any producers in Haiti as noncompliant. Since the last report, DOL has continued to provide compliance assistance to at-risk factories.

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. The report must include: (i) the efforts of Haiti, the President, and the 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 USTR to submit this report. The most recent report was submitted to Congress on June 16, 2017 and is available on USTR's website at https://ustr.gov/about-us/policy-offices/press-office/reports-and-publications/2017/hope-ii-2017-annual-report.

HELP Act

In May 2010, President Obama signed the Haiti Economic Lift Program Act (HELP Act).[7] The HELP Act further expanded existing preferences for apparel (namely, providing for an increase in quota levels for the knit and woven apparel quotas from 70 to 200 million SMEs) and established new preferences for certain non-apparel textile goods. With the exception of the Value-Added tariff rate quota (which expires in December 2018), the HELP Act extended all of CBTPA's and the HOPE/HOPE II preference programs through September 2020.

Additionally, the HELP Act established new preferences, which were to expire in 2018, 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.

Trade Preferences Extension Act of 2015

The Trade Preferences Extension Act of 2015 (TPEA) extends duty-free benefit programs for Haiti for an additional five years, until September 30, 2025.[8] The TPEA lengthens special duty-free preferences provided under the HOPE Act, HOPE II Act, and the HELP Act for textiles and apparel, assembled in Haiti and imported to the United States from Haiti or the Dominican Republic. The TPEA also extends the value-added quota for apparel articles wholly assembled or knit-to-shape in Haiti for an additional seven years ending December 19, 2025, with the quota level remaining at 1.25 percent of total U.S. apparel imports.

[7] Haiti Economic Lift Program Act of 2010, Pub. L. No. 111-171, § 1, 124 Stat. 1194 (2010).
[8] Trade Preferences Extension Act of 2015, Pub. L. No. 114-27, § 101, 129 Stat. 361 (2015).

Beneficiary Countries

As of 2017, 17 countries and dependent territories receive CBERA and/or CBTPA benefits. Chapter 3 discusses the CBERA and CBTPA eligibility criteria and provides a summary of CBI country compliance with these criteria on the part of CBI countries. The President is authorized to terminate a country's designation, limit, suspend, or withdraw CBI benefits if conditions change with regard to performance in connection with the statutory eligibility criteria. CBERA identified 20 countries and dependent territories as eligible to receive CBERA 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. Suriname requested beneficiary status in 2009. The other countries have not requested beneficiary status.

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. As of the date of this report, eight countries have satisfied this requirement and have been designated as fully eligible to receive the enhanced benefits of the CBTPA: Barbados, Belize, Curaçao, Guyana, Haiti, Jamaica, Saint Lucia, and Trinidad and Tobago. The United States may designate additional CBTPA eligible beneficiaries in the future, provided that they satisfy the customs-related requirements. Eight countries are no longer eligible for benefits due to the passage of free trade agreements with the United States. In particular, 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.

Current CBERA-eligible countries and territories, and their dates of designation if not original beneficiaries:	**Current CBTPA-eligible countries and territories:**
Antigua and Barbuda	Barbados
Aruba (April 11, 1986)	Belize
The Bahamas (March 14, 1985)	Curaçao
Barbados	Guyana
Belize	Haiti
British Virgin Islands	Jamaica
Curaçao (December 23, 2013)	Saint Lucia
Dominica	Trinidad and Tobago
Grenada	
Guyana (November 24, 1988)	
Haiti	
Jamaica	
Montserrat	
St. Kitts and Nevis	
Saint Lucia	
Saint Vincent and the Grenadines	
Trinidad and Tobago	

Congress identified Anguilla, Cayman Islands, Suriname, and Turks and Caicos Islands in the CBERA legislation as eligible for benefits. Of these countries, only Suriname requested beneficiary status, in 2009.

Sint Maarten, which had previously been eligible for CBERA and CBTPA benefits as part of the Netherlands Antilles, did not seek to continue independently as a beneficiary country.

Anti-Transshipment Provisions

The CBTPA includes provisions intended to guard against the illegal transshipment of non-qualifying goods through CBI countries. 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 in order to receive benefits. Beneficiary countries must provide the USTR with commitments regarding, among other things: 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 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.

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 7652(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. 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 to the United States after June 30, 1999 and before January 1, 2017, the rate at which the amounts transferred are calculated was $13.25 per proof gallon (section 7652(f) of the Code). Since January 1, 2017, rate has been $10.50.

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 qualifying 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 June 2016 (latest Internal Revenue Service review), the following current CBERA beneficiaries have satisfied all of the requirements for benefiting from this provision: Antigua and Barbuda, Aruba, Bahamas, Barbados, Curaçao, Dominica, Grenada, Guyana, Jamaica, St. Lucia, and Trinidad and Tobago.[9]

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. Since 2001, the ITC has also been required to address the economic impact of the CBI programs on beneficiary countries. The ITC submitted its 23rd report on the impact of the CBERA to the President and Congress in September 2017[10]. The ITC concluded that the overall effect of the CBERA on the U.S. economy and U.S. consumers continues to be negligible, while the impact on a number of beneficiary countries is positive. The ITC concluded that the future effect of the CBERA on the United States will likely remain negligible.

Worst Forms of Child Labor Report**:** The CBTPA requires the Secretary of Labor to prepare a report on CBERA beneficiary countries' progress toward implementation of their international commitments "to eliminate the worst forms of child labor." The most recent report was published on September 20, 2016.[11]

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 2016 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 Chapter 3. The Department of Labor and other donors have 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 to improve labor rights and working conditions in agriculture, to combat child labor in other hazardous sectors such as garbage collecting and fireworks manufacturing, and to prevent the commercial sexual exploitation of children.

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[9] *See* IRS Revenue Ruling 2016-16 or any successor guidance.

[10] USITC Publication 4728, available at https://www.usitc.gov/publications/332/pub4728.pdf.

[11] The complete report is available at https://www.dol.gov/sites/default/files/documents/ilab/reports/child-labor/findings/TDABook.pdf.

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 2013, the United States signed a Trade and Investment Framework Agreement with the Caribbean Community and Common Market (CARICOM). USTR convened a Trade and Investment Committee meeting under the CARICOM Trade and Investment Framework Agreement in October 2014 and in May 2016.

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.

II. 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 for consumption[12] from CBI countries were $32.0 billion, and CBI countries combined constituted the 12th-largest supplier of U.S. imports, ahead of Italy and just behind Venezuela. In 2016, CBI beneficiary countries supplied $5.3 billion of U.S. imports, ranking 42nd among U.S. import suppliers, ahead of Hungary and behind Iraq. In 2005, CBI beneficiary countries supplied nearly 2 percent of total imports into the United States, but the share decreased to 0.2 percent in 2016, following the exit of the CAFTA-DR beneficiaries, the Netherlands Antilles, and Panama from the CBERA program (see Table 1);[13] lower petroleum prices, one of the main imports from the region; and lower imports of apparel. In 2015, the value of U.S. merchandise imports from all CBI beneficiary countries totaled $7.1 billion, a decrease of 16.9 percent over the previous year. In 2016, imports from CBI beneficiaries declined by 24.3 percent. The decline in U.S. imports from CBI beneficiaries in both 2015 and 2016 was mostly due to decreased U.S. imports of crude petroleum and refined petroleum products, reflecting lower U.S. demand as U.S. production of crude petroleum increased.

[12] Data in this report reflect the trade between eligible CBI countries, based on time period, so that the countries included in CBI summary data vary by year. Import data in this report refers to imports for consumption, unless otherwise noted.

[13] Netherlands Antilles ceased to be a beneficiary when it was dissolved as a political entity in October 2010. Panama ceased to be a CBI beneficiary upon the entry into force of the United States.-Panama Trade Promotion Agreement on October 31, 2012. Curaçao was designated a CBERA beneficiary effective January 1, 2014 and designated a CBTPA beneficiary on August 18, 2015. U. S. imports from CBI countries reflect the exit and entry of these countries from the CBERA program (see Table 1).

Table 1: U.S. Trade with CBI beneficiary countries,[1] 2012-2016 and January-July of 2016 and 2017							
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		U.S. Trade Balance with CBI Countries[4]
	Million $	Million $	Percent of U.S. Total	Million $	Million $	Percent of U.S. Total	Million $
2012	1,352,210.9	18,774.3	1.4	2,251,772.7	11,891.8	0.5	6,882.5
2013	1,371,134.1	11,880.2	0.9	2,241,103.5	8,936.9	0.4	2,943.4
2014	1,398,850.3	12,742.8	0.9	2,324,939.6	8,495.9	0.4	4,246.9
2015	1,285,938.8	11,635.1	0.9	2,226,615.3	7,061.4	0.3	4,573.7
2016	1,226,482.3	10,478.4	0.9	2,173,617.3	5,342.0	0.2	5,136.4
Jan-Aug 2016	802,576.3	6,995.4	0.9	1,423,888.2	3,568.5	0.3	3,426.9
Jan-Aug 2017	854,102.8	7,846.8	0.9	1,518,570.8	4,085.6	0.3	3,761.1

[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 (excludes re-exports), free alongside ship (F.A.S.) value.
[3] Imports for consumption, customs value.
[4] Trade balance is domestic exports minus imports for consumption.

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed October 5, 2017). Data reflect all official USDOC revisions for 2012–16 as of this date.

U.S. imports under the CBI tariff preferences declined for a third consecutive year to $0.9 billion in 2016, down from $1.5 billion in 2015 and $2.0 billion in 2014 (see Table 2). The decline in 2016, 43.5 percent, was preceded by a decrease of 21.9 percent in 2015. The drop in imports in 2016 and 2015 was primarily due to lower U.S. imports of crude petroleum and methanol and textiles and apparel, the leading U.S. imports under the program. Of the $0.9 billion in U.S. imports under CBI in 2016, energy products accounted for 39.3 percent;[14] textiles and apparel (predominantly apparel supplied by Haiti), 34.9 percent; agricultural products, 14.4 percent; and other mining and manufacturing products, 11.4 percent. Although U.S. imports of textiles and apparel under the CBI program declined in 2015-16, U.S. imports from Haiti under the HOPE Acts trade increased by 10.1 following the HOPE Act and 8.0 percent following the HOPE II Act.

[14] Energy related products include chapter 27 Mineral fuels, as well as methanol (HTS 2905.11.20), and fuel ethanol (HTS 2207.10.60 and HTS 2207.20.01).

Table 2: U.S. Imports from CBI Countries by Program, 2014-2016 and January-August of 2016 and 2017 [1]								
Import Program	2014	2015	2016	2016 Jan-Aug	2017 Jan-Aug	Change 2014-2015	Change 2015-2016	Change Jan-Aug
	Million $					Percent		
CBI	1,973.3	1,541.8	870.9	603.4	672.6	-21.9	-43.5	11.5
CBERA	1,383.9	977.7	479.0	337.3	420.3	-29.4	-51.0	24.6
CBTPA	589.4	564.2	391.9	266.1	252.3	-4.3	-30.5	-5.2
GSP	1.3	11.7	27.8	14.5	21.9	827.8	137.6	50.9
HOPE Acts	451.5	497.2	537.1	368.8	378.4	10.1	8.0	2.6
Otherwise duty-free	4,922.1	4,381.8	3,369.4	2,271.2	2,487.4	-11.0	-23.1	9.5
Dutiable imports	1,147.7	629.0	536.8	310.6	525.2	-45.2	-14.7	69.1
Total	8,495.9	7,061.4	5,342.0	3,568.5	4,085.6	-16.9	-24.3	14.5

[1] Imports for consumption, customs value.

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed October 5, 2017). Data reflect all official USDOC revisions for 2014–16 as of this date.

CBI Tariff Preferences: Top Sources of U.S. Imports

Trinidad and Tobago has been the leading source of U.S. imports under CBI tariff preferences since 2005. The United States imported $379 million under CBI tariff preferences from Trinidad and Tobago in 2016, a decrease of 54.4 percent from 2015. These imports were dominated by methanol ($253.2 million) and petroleum and petroleum-related products ($86.2 million), with about 94 percent of imports of these goods under CBI provisions. The decline in the value of U.S. imports of methanol and petroleum and petroleum-related products under CBI preferences in 2016 was due to both lower oil prices and increased U.S production of crude petroleum, whereas imports of methanol decreased largely due to lower volume.

Haiti has been the second leading source of U.S. imports under CBI tariff preferences since 2009 after Costa Rica left the CBI program. Apparel accounts for about 97 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. In 2016, much of the continued growth in U.S. imports of apparel from Haiti is attributed to the HOPE/HELP preference programs, which for the fourth time surpassed apparel imports under CBERA/CBTPA provisions. Imports of apparel from Haiti at preferential tariff rates rose 10.1 percent in 2015 and 8.0 percent in 2016 as the utilization of preferences under the HOPE Acts increased. Imports that entered free of duty under the HOPE Acts accounted for about 63 percent of total U.S. duty-free imports of textiles and apparel goods from the region in 2016.

Jamaica was the third leading supplier of U.S. imports under the CBI tariff preferences in 2016. Yams and sauces and fruit preparations were the main imports from Jamaica. Prior to 2010, Jamaica had been a source of fuel ethanol for the United States, but developments in global sugar markets and Brazil in 2013-2016 resulted in reduced supplies of the feedstock used by dehydrators in Jamaica. As a result, there have not been any U.S. imports of fuel ethanol from CBI countries since 2014.

The United States continues to have a small amount of bilateral (non-CBI) trade with many of the Caribbean economies. Imports under CBI tariff preferences accounted for relatively important proportions of total U.S. imports from several of these countries. In 2016, Imports under CBERA as a share of total U.S. imports from each country ranged from nearly zero percent (Aruba, Curaçao, and Montserrat) to as high as 35.5 percent (Haiti). In addition to petroleum and other energy-related products and apparel, products such polystyrene (The Bahamas), electrical equipment (St. Kitts and Nevis), orange juice (Belize), guavas and mangos (Haiti), and papayas (Belize) were imported under CBI tariff preferences from these smaller Caribbean economies.

U.S. Exports

The CBI program was initially envisioned as a program to facilitate the economic development and export diversification of the Caribbean Basin economies. Since the CBI program took effect on January 1, 1984, U.S. domestic exports[15] to the region increased from $6.1 billion (2.8% of total exports) to a peak of $26.1 billion (3.2% of total exports) in 2005. Since that time, however, U.S. exports to the region have fallen significantly. Most of the decrease was due to exit of the countries that joined other free trade agreements with the United States; these countries received 68.4 percent of U.S. exports to CBI beneficiaries in 2005, valued at $18.99 billion. In 2016, the value of total U.S. exports to CBI countries amounted to $10.5 billion, a 9.9 percent decrease from the previous year. In 2015, U.S. exports were $11.6 billion, an 8.7 percent decrease from 2014 (see Table 3). Collectively, the CBI region ranked 23rd among U.S. export destinations in 2016 and absorbed 0.9 percent of total U.S. exports to the world in both 2016 and 2015 (see Table 1).

The leading markets for U.S. exports to the CBI region in 2016 were Trinidad and Tobago, The Bahamas, Jamaica, Haiti, and Curaçao. These five countries accounted for over 71 percent of U.S. exports to the region in 2016. The leading export categories included refined petroleum products, rice, aircraft, chicken cuts, wheat, and corn.

[15] Export data in this report refers to domestic exports, unless otherwise noted.

Table 3: U.S. Exports to CBI Countries, 2012-2016 and January-August of 2016 and 2017, Million $[1]							
Country[2]	2012	2013	2014	2015	2016	2016 Jan-Aug	2017 Jan-Aug
January 1, 2016 Beneficiaries							
Antigua Barbuda	191.8	125.8	173.0	645.1	231.4	150.0	220.6
Aruba	644.8	1,022.7	1,200.3	1,101.3	737.6	486.4	633.3
Bahamas	3,415.9	3,368.2	3,160.4	2,265.8	2,028.7	1,302.1	1,878.2
Barbados	415.3	399.3	432.3	486.3	383.2	248.9	274.1
Belize	251.3	226.6	224.2	269.6	246.5	150.8	180.9
British Virgin Islands	160.2	202.8	196.0	241.9	229.9	103.6	166.3
Curaçao	0.0	0.0	568.2	470.5	820.4	630.9	501.3
Dominica	75.5	74.1	57.1	62.5	46.7	29.7	67.6
Grenada	67.5	89.3	76.7	81.9	78.4	48.9	57.9
Guyana	340.0	300.7	334.7	330.2	410.0	288.3	223.3
Haiti	1,028.7	1,202.8	1,172.8	1,111.9	1,034.5	677.4	863.8
Jamaica	1,860.3	1,862.2	2,032.6	1,592.3	1,508.4	998.4	1,272.6
Montserrat	8.0	8.2	8.5	6.0	8.6	5.0	5.1
St. Kitts and Nevis	97.2	124.5	158.4	136.3	128.5	81.7	155.2
St. Lucia	362.1	579.5	670.5	499.2	416.9	261.1	304.6
St. Vincent and the Grenadines	94.1	88.6	98.1	80.0	82.9	54.9	51.4
Trinidad and Tobago	2,296.9	2,204.9	2,178.9	2,254.2	2,085.9	1,477.2	990.6
Total	11,309.5	11,880.2	12,742.8	11,635.1	10,478.4	6,995.4	7,846.8
Former Beneficiaries							
Panama	7,464.7	0.0	0.0	0.0	0.0	0.0	0.0
Total	7,464.7	0.0	0.0	0.0	0.0	0.0	0.0
Grand Total	18,774.3	11,880.2	12,742.8	11,635.1	10,478.4	6,995.4	7,846.8

[1] Domestic exports, free alongside ship (F.A.S.) value.
[2] U.S. exports to CBERA countries include trade with Panama only for the part of the year 2012 during which it was eligible for CBERA benefits. The U.S.-Panama FTA entered into force on October 31, 2012, at which time it ceased to be a CBERA beneficiary. Curacao became eligible for CBERA benefits effective January 1, 2014.

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed October 11, 2017). Data reflect all official USDOC revisions for 2012–16 as of this date.

III. 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 section 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 Title II, Section 212 of CBERA as precluding the President from initially designating a country or dependent territory as a CBERA beneficiary;[16]

- additional, discretionary factors also defined in Title II, Section 212 of CBERA, which the President is required to take into account in determining whether to designate countries or dependent territories as beneficiaries under the CBERA[17]; and

- further criteria, outlined in the CBTPA, 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.[18]

CBERA "Mandatory" Criteria

Communist Country:
A country cannot be designated as a CBERA beneficiary country "if such country is a Communist country."[19] No Communist country has requested designation, and none of the current CBI countries is a Communist country.

Nationalization/Expropriation:
The CBERA stipulates that a country is ineligible for CBI benefits if it has expropriated or nationalized property of U.S. citizens, unless the President determines that the country is taking steps to resolve any claims, or if such country has taken steps to repudiate or nullify any existing contracts or agreements as well as any patent, trademark, or other intellectual property under specified conditions.[20] The United States is currently exploring questions that have been raised with respect to certain beneficiaries, as described in the country reports that follow. At this time, the Administration has not determined that any countries have breached this criterion.

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[16] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(b), 97 Stat. 385 (1983).
[17] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c), 97 Stat. 386 (1983).
[18] Caribbean Basin Trade Partnership Act, Pub. L. No. 106-200, § Sec 211(b)(5)(B), 114 Stat. 284 (2000).
[19] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(b)(1), 97 Stat. 385 (1983).
[20] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(b)(2), 97 Stat. 385-86 (1983).

Arbitral Awards:

If a country 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 cannot be designated as a CBERA beneficiary.[21] The United States is currently exploring questions that have been raised with respect to certain beneficiaries, as described in the country reports that follow. At this time, the Administration has not determined that any countries have breached this criterion.

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.[22]

Since 2007, the European Commission has had an Economic Partnership Agreement (EPA) with Antigua and Barbuda, The Bahamas, Barbados, Belize, Dominica, the Dominican Republic, Grenada, Jamaica, Saint Lucia, Saint Vincent and the Grenadines, Saint Kitts and Nevis, Suriname, and Trinidad and Tobago (the CARIFORUM countries). Guyana and Haiti joined the agreement in 2008 and 2009 respectively.

In 2016, total U.S. trade (exports plus imports) with CBERA countries was 0.6 percent of total U.S. trade with the world. CBERA countries accounted for 0.9 percent of total U.S. exports and 0.2 percent of total U.S. imports in 2016. 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. At this time, the Administration has not determined that the EPA has or is likely to have a significant adverse effect on U.S. commerce.

Expropriation of Intellectual Property:

The CBERA excludes from designation any countries that allow the broadcast of copyrighted material, including films or television material belonging to United States copyright owners without their express consent.[23] The United States is currently exploring questions that have been raised with respect to certain beneficiaries, as described in the country reports that follow. A pervasive problem throughout much of the Caribbean Basin is the unlicensed and unremunerated interception and retransmission of U.S. broadcast and cable programming by local cable operators, which are in some cases government-run.

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.[22]

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[21] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(b)(3), 97 Stat. 386 (1983).
[22] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(b)(4), 97 Stat. 386 (1983).
[23] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(b)(5), 97 Stat. 386 (1983).
[22] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(b)(7), 97 Stat. 386 (1983).
[23] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(8), 97 Stat. 387 (1983).

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 consider whether a country has taken or is taking steps to afford workers internationally recognized worker rights.[23] 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:
The CBERA authorizes the President, in designating beneficiary countries, to take into account an expression of a country's desire to be so designated.[24]

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.[25] 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.[25] 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:
The CBERA authorizes the President to consider "the degree to which a [beneficiary country] uses export subsidies or imposes export performance requirements or local content requirements which distort international trade."[26] This is examined in the country reports which follow.

Contribution to Regional Revitalization:
The CBERA authorizes the President to consider the degree to which the trade policies of an individual CBI country contribute to the revitalization of the region as a whole.[27] Countries in the Caribbean Basin have continued, for the most part, to implement policies that have advanced

[24] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(1), 97 Stat. 386 (1983).
[25] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(2), 97 Stat. 386 (1983).
[25] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(3)-(4), 97 Stat. 386-87 (1983).
[26] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(5), 97 Stat. 387 (1983).
[27] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(6), 97 Stat. 387 (1983).

regional economic development and growth. With few exceptions, countries have continued to reform their economies and liberalize trade and investment regimes.

Self-Help Measures:
The CBERA's eligibility criteria requires countries in the region to take steps to advance their own economic development.[28] 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 CBERA authorizes the President to take into account "the extent to which a country provides adequate and effective legal means for foreign nationals to secure, exercise, and enforce exclusive rights in intellectual property, including patent, trademark, and copyright rights"[29] and the extent to which a country prohibits its nationals from broadcasting copyrighted materials, including film and television material, belonging to U.S. copyright owners without their express consent.[30] The United States is currently exploring issues that have been raised with respect to certain beneficiaries, as described in the country reports that follow.

Cooperation in Administration of the CBERA:
The CBERA's eligibility criteria included that CBERA beneficiaries cooperate in the administration of CBI preferences when requested by the U.S. government.[31] The CBERA beneficiaries have done so.

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 a free trade agreement and the Free Trade Area of the Americas;[32]

- the extent to which the country provides protection of intellectual property rights consistent with or greater than the protection afforded under the TRIPS Agreement;[33]

[28] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(7), 97 Stat. 387 (1983).
[29] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(9)-(10), 97 Stat. 387 (1983).
[30] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(9)-(10), 97 Stat. 387 (1983).
[31] Caribbean Basin Economic Recovery Act, Pub. L. No. 98-67, § 212(c)(11), 97 Stat. 387 (1983).
[32] Caribbean Basin Trade Partnership Act, Pub. L. No. 106-200, § Sec 211(b)(5)(B)(i), 114 Stat. 284 (2000).
[33] Caribbean Basin Trade Partnership Act, Pub. L. No. 106-200, § 211(b)(5)(B)(ii), 114 Stat. 284 (2000).

- 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;[34]

- whether the country has implemented its commitments[34] to eliminate the worst forms of child labor;[35]

- the extent to which the country has met U.S. counter-narcotics certification criteria[37] under the Foreign Assistance Act of 1961;[36]

- the extent to which the country has taken steps to become a party to and implement the Inter-American Convention against Corruption (IACAC);[37] 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.[38]

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[34] These commitments are defined in 29 U.S.C. § 2467(6).

[35] Caribbean Basin Trade Partnership Act, Pub. L. No. 106-200, § 211(b)(5)(B)(iv)-(iv), 114 Stat. 285 (2000).

[36] 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.

[37] Caribbean Basin Trade Partnership Act, Pub. L. No. 106-200, § 211(b)(5)(B)(vi), 114 Stat. 285 (2000).

[38] Caribbean Basin Trade Partnership Act, Pub. L. No. 106-200, § 211(b)(5)(B)(vi), 114 Stat. 285 (2000).

IV. 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. Unless otherwise noted, population, gross domestic product (GDP) and per capita GDP figures are drawn from the International Monetary Fund[39]. Trade data are cited in U.S. dollars (customs basis) and are compiled from official statistics of the U.S. Department of Commerce.

[39] International Monetary Fund, World Economic Outlook Database, October 2017.

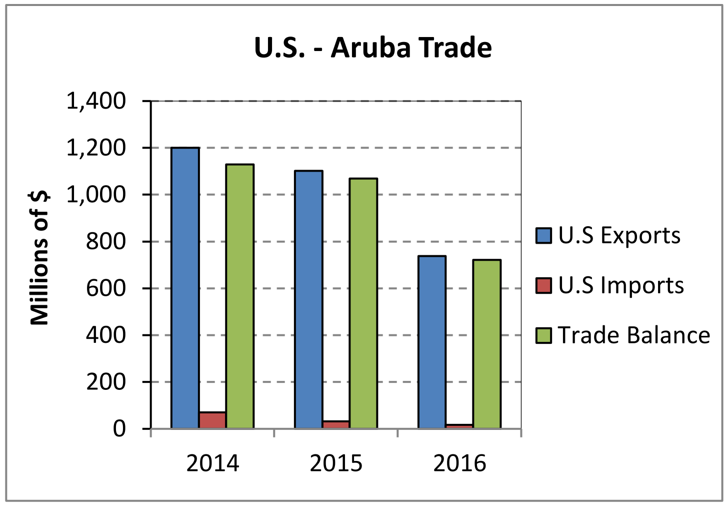
Aruba

Population: 104,000 (2016)*
GDP: $2,664,000,000 (2014)*
Per Capita GDP: $25,750 (2014)*

*Source: UN Statistics Division

Department of Commerce 2016 Trade Statistics

U.S Exports	$737,573,478
U.S Imports	$16,475,297
Trade Balance	$721,098,181



Economic Review: Aruba is a small, open economy with one of the highest standards of living in the Caribbean. The Government of Aruba has focused recently on encouraging free enterprise and competition and on diversifying its industries. For example, the Government of Aruba signed an agreement in 2016 to restart Valero Energy Corp's former 235,000 barrel per day refinery. The Aruban economy declined recently, however, due in large part to the economic and political situation in Venezuela. With limited manufacturing, Aruba needed to import most goods.

Over 85 percent of the economy depended on tourism, followed by petroleum bunkering, hospitality, and financial and business services, making Aruba the third-most tourism dependent country in the world. Moreover, much of that tourism depended on the United States, as seventy-five percent of the 1.7 million tourists per year came from the U.S. Such heavy reliance on external economic conditions contributed to some of the highest economic growth volatility in the region.

Aruba demonstrated that it is taking steps to advance its own economic development. The Government of Aruba promoted entrepreneurship and small business activity by means of conferences and specific workshops geared towards increasing business knowledge and business tools. The government opened an Initiative for the Development of Aruba Enterprises (IDEA) office in 2012, working closely with the Florida Small Business Development Center to provide guidance and assistance to entrepreneurs and small businesses.

Aruba traded with regional partners for a broad spectrum of merchandise. Open trade policies stimulated trade within and outside the region. Aruba's sea and airport facilities served as important regional distribution hubs.

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 and is a member of the WTO through the Kingdom of the Netherlands, but does not exercise independent voting rights at the WTO. At the end of 1998, Aruba completed informal accession discussions with the United States and Canada but did not finalize its WTO accession process. Aruba is a member of the WTO Agreement on Government Procurement (GPA).

All products from any country that comply with import regulations and health standards were allowed for import. This policy was non-discriminatory and existed for decades. There were no targeted barriers to U.S. goods. The Government of Aruba did not offer export subsidies or impose trade distorting export performance or local content requirements.

Protection of Intellectual Property: Aruba's Bureau of Intellectual Property has registered trademarks, copyrights, and patents since 1995. Aruba is a party to the Paris Convention for the Protection of Industrial Property, and to other treaties related to IP such as the Patent Cooperation Treaty and the Berne Convention for the Protection of Literary and Artistic Works. Aruba is a contracting party of the Nice Agreement and the Vienna Agreement.

Provision of Internationally Recognized Worker Rights: Aruba's laws contain protections for worker rights. Employees are free to associate with workers' organizations and trade unions. The statutory limit on working hours is 10 hours per day and a maximum average of 45 hours per week over a period of 4 weeks. Each employee is legally entitled to paid holidays of at least 15 workdays per year. Overtime compensation is 175 percent on a scheduled day off, 200 percent on a day of rest, and 250 percent on a holiday. Effective March 1, 2016, the minimum wage for most employees in Aruba was set at about $5.52/hour. On behalf of Aruba, the Kingdom of Netherlands ratified the ILO Convention concerning Minimum Age for Admission to Employment in 1986. In accordance with the Convention, the minimum working age in Aruba is 15 years old.

Aruba also provides other protections for worker rights. The law regarding the right of association is in compliance with ILO Convention 87 and Articles 5 and 6 of the European Social Charter. The Department for Technical Inspections serves to ensure safe working conditions for employees in the workplace. The Accident Insurance Ordinance provides financial compensation to employees who have suffered an accident at work. Under this ordinance, every employee, regardless of income, must be insured by his or her employer against workplace accidents. If the employee dies as a result of the accident, his or her surviving dependents are entitled to financial compensation.

Commitments to Eliminate the Worst Forms of Child Labor: There were no reports of child labor in Aruba. The Kingdom of the Netherlands is responsible for safeguarding fundamental human rights and freedoms in its territories, including in Aruba. Child labor is prohibited. Inspectors of the Ministry of Education, Sport and Culture enforced the laws and policies to protect children.

Counter-narcotics Cooperation: Aruba is a partner in U.S. counter-narcotics activities. Aruba has not been named by the President as a major drug transit or major illicit drug producing country under the Foreign Relations Authorization Act. The Aruban police force, Korps Politie Aruba, regularly conducted operations and cooperated with U.S. law enforcement agencies to counter the flow of illicit drugs in the Caribbean to Europe and the United States. Aruba supported a U.S. Air Force (USAF) Forward Operating Location at Reina Beatrix International Airport. Aruba hosted Department of Homeland Security and U.S. Customs and Border Protection personnel at Reina Beatrix International Airport, in facilities financed and built by the Government of Aruba, to support counter-narcotics activities. Aruba, through the Netherlands, is a party to the 1961 UN Single Convention on Narcotic Drugs and the UN Convention against Transnational Organized Crime.

Implementation of the Inter-American Convention against Corruption (IACAC): Aruba is not a signatory of the IACAC; responsibility for international agreements is legally held by the Kingdom of the Netherlands. Aruban laws provide criminal penalties for official corruption. There are no laws requiring financial disclosure; each government agency has its own regulations to avoid conflicts of interest.

Transparency in Government Procurement: The government outlines guidelines for procurement. Aruba is a member of the GPA. The government made efforts to become more transparent, and several high-ranking officials were investigated for corruption and money laundering.

Nationalization/Expropriation: The Aruban government has not nationalized property of any kind. The Aruban government does not expropriate property, except to resolve debts.

Extradition: The 1980 extradition treaty between the United States and the Kingdom of the Netherlands covers Aruba.

Market Access/WTO Rules: While customs duties on all imports are high and all products must comply with import regulations and health standards, these policies are non-discriminatory. There are not targeted barriers to U.S goods.

Export Subsidies: The Government of Aruba does not offer export subsidies or impose trade-distorting export performance or local content requirements.

Contribution to Regional Revitalization: Aruba traded with regional partners for a broad spectrum of merchandise. Open trade policies stimulated trade within and outside the region. Aruba's seaport and airport facilities also served as important regional distribution hubs.

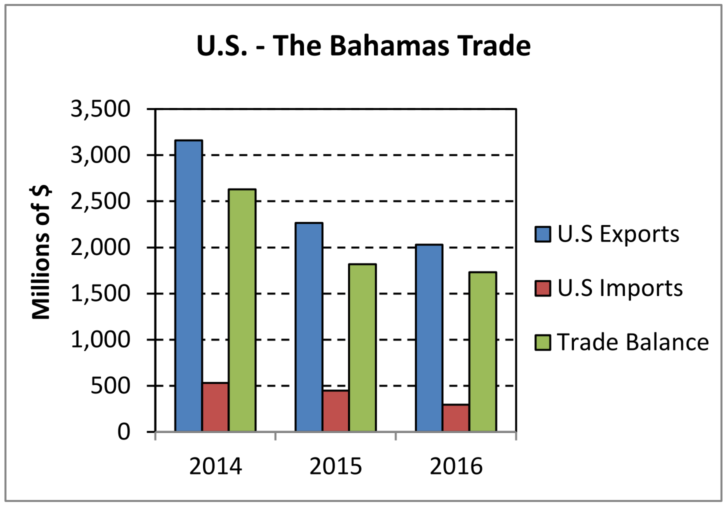
Self-Help Measures: The Government of Aruba demonstrated that it is taking steps to advance its own economic development. It enacted policies to promote sustainable economic development by promoting green and renewable energy, establishing better links between the educational system and business, increasing public and private sector efficiency, and streamlining and expediting licenses and permits, adopting the theme "from red tape to red carpet" to attract more investment.

The Bahamas

Population:	368,000 (2015)
GDP:	$8,717,000,000 (2015)
Per Capita GDP:	$23,671 (2015)

Department of Commerce 2016 Trade Statistics

U.S Exports	$2,028,665,665
U.S Imports	$296,630,292
Trade Balance:	$1,732,035,373



Economic Review: General economic conditions in The Bahamas remained stable but stagnant. Although the economy grew in 2016, real GDP growth remained volatile. Per capita GDP grew 7.1 percent since 2012. A new government, which took office in May 2017, revised fiscal forecasts and borrowed a record $722 million to meet budget needs. This resulted in a debt-to-GDP ratio of 73 percent. On December 14, 2017, Standard &Poor's determined that the economic outlook for The Bahamas "remains stable." The government predicts that the phased opening of mega-resort Baha Mar will provide a boost to the economy.

The Bahamas is an import- and services-based economy. Tourism, together with tourism-driven construction, accounted for approximately 60 percent of the country's GDP. Forty-nine percent of the labor force was directly employed in the tourism industry, with another 37 percent in other related service sectors. The Bahamas did not offer export subsidies, utilize trade distorting export performance, or maintain a local content requirement. Some sectors of the economy remained reserved for Bahamian-only investment, but the Bahamian government did not discriminate against the importation of goods and services from the United States.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: The Bahamas applied for accession to the WTO in 2001 and continued negotiations towards full membership. It is currently accorded observer status. In 2008, The Bahamas signed its first negotiated reciprocal trade agreement, the Economic Partnership Agreement (EPA) between CARIFORUM and the European Community, and in June 2013 created an implementation unit within the Ministry of Trade. In preparation for WTO membership, The Bahamas introduced omnibus legislation in 2013 to address many deficiencies within its trade regime. In June 2015, The Bahamas opened a Permanent Mission to the United Nations Offices and Other International Organizations in Geneva, in part to assist with WTO accession. The Bahamas continued to engage in efforts to institute legislative and policy changes with the aim of WTO accession by 2019.

Protection of Intellectual Property: WTO accession efforts, coupled with the implementation of the EPA, have aided The Bahamas' effort to modernize its intellectual property laws. In 2015, The Bahamas passed legislation to establish a new and more extensive intellectual property rights framework. The laws are pending, however, and enforcement of existing intellectual property rights legislation is weak.

U.S. trade industry groups have expressed concerns that commercial radio stations in The Bahamas broadcast copyrighted music without the payment of royalties.

Provision of Internationally Recognized Workers Rights: The Bahamas is a party to ILO conventions related to the rights of association, collective bargaining, and the prohibition on the use of compulsory and child labor. The Bahamian Fair Labor Standards Act (FLSA) requires at least one 24-hour rest period per week, paid annual vacations, and employer contributions to National Insurance, The Bahamas' social security program. The FLSA also requires overtime pay (time-and-a-half) for hours in excess of 40 hours or on public holidays. A 1988 law provides for maternity leave and the right to re-employment after childbirth. A Minimum Labor Standards Act including the Employment Act, Health and Safety at Work Act, Industrial Tribunal and Trade Disputes Act, and the Trade Union and Labor Relations Act was passed in 2001 and 2002. The Minimum Wage Act, effective August 15, 2015, increased the minimum wage from $4.00 to $5.25 per hour.

Bahamian law prohibits children under 14 from being employed in industrial work or work during school hours, and children under 16 may not work at night. Children between ages 14 and 18 may work outside of school hours under specific conditions. Children under 18 are prohibited from hazardous work such as construction, road building, and mining. There is not a legal minimum age for employment in other sectors. Violation of child labor laws are subject to penalties of $1000 to $1500.

Commitments to Eliminate the Worst Forms of Child Labor: Some children in The Bahamas have become victims of child labor, particularly among the undocumented migrant communities. The Bahamas made steps to try and address these incidences. The Ministry of Labor and National Insurance investigated and addressed allegations of abuse of child labor. Additionally, labor officers were periodically sent to food stores and various places to ensure that children were not being abused and that the laws governing child labor were not being violated. A number of civic organizations and churches offered programs to provide meaningful activities to protect children from abusive labor situations. However, these programs were somewhat limited.

Counter-narcotics Cooperation: The President identified The Bahamas as a major drug transit or major illicit drug producing country in 2017. The Bahamas is not, however, designated as having "failed demonstrably" to make substantial efforts during the prior 12 months to fulfill its obligations under international counter-narcotics agreements and conventions. The Bahamas cooperated extensively with the United States on counter-narcotics and law enforcement issues and continued to meet certification criteria under the Foreign Assistance Act of 1961. The Bahamas participated in Operation Bahamas, Turks and Caicos (OPBAT) to stop the flow of illegal drugs through its territory. OPBAT operations in The Bahamas employed DEA, U.S. Coast Guard and Customs and Border Protection helicopters in conjunction with local law enforcement to intercept shipments of cocaine and conduct investigations. The Bahamas is a party to the 1988 UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic

Substances. The Bahamas partnered with the other nations of the Caribbean and the United States 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.

Implementation of the Inter-American Convention against Corruption (IACAC): The Bahamas signed the IACAC in 1998, ratified in 2000, and has been a party to the mechanism for follow up on the implementation on the IACAC since 2001. The government has anti-corruption and anti-bribery laws in place, but prior to the May 2017 elections, had prosecuted only a single individual for public corruption since ratifying the Convention. The government elected in May 2017 began investigating allegations of past acts of corruption and launched multiple criminal investigations and forensic audits of government institutions.

Transparency in Government Procurement: Transparency International's 2016 Corruption Perception Index ranked The Bahamas as the 24th least corrupt country out of 176 countries surveyed. The government that took office in May 2017 aggressively investigated allegations of acts of corruption related to government procurement. As of July 2017, the government launched multiple criminal investigations and forensic audits of government institutions and brought charges against two former government ministers and the chair of a public corporation.

Nationalization/Expropriation: There were no reports of the government nationalizing or expropriating the property of U.S. citizens. Property rights are protected under the Bahamian Constitution and prohibit the deprivation of property without prompt and adequate compensation.

Extradition: The Bahamas 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 cooperated closely on extradition matters.

Market Access/WTO Rules: Although certain sectors of the Bahamian economy remain reserved for Bahamian-only investment, the government did not discriminate against the importation of goods and services from the United States. The United States enjoyed a favorable trade balance with The Bahamas.

Export Subsidies: The United States was not aware of any export subsidies, trade-distorting practices, or local content requirements.

Contribution to Regional Revitalization: There was limited trade between The Bahamas and other CBI beneficiary countries. However, CBI remained important for The Bahamas as its most significant export, polystyrene pellets, received preferential access under the program.

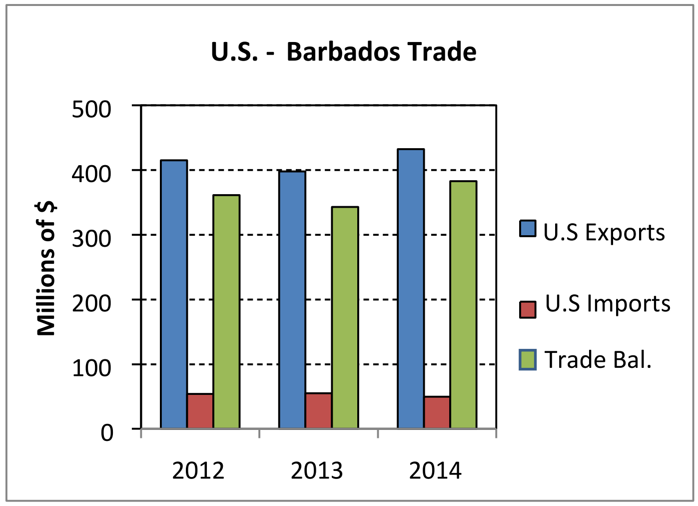
Self-Help Measures: The government of The Bahamas identified the need to make improvements in the ease of doing business as a priority of its administration. The Bahamas set up a small business development center to encourage the growth of small and medium-sized enterprises. In addition, the Government established an Economic Advisory Council in July 2017 to review and advise the government on the long term economic strategy of the country.

Barbados

Population: 280,000 (2015)
GDP: $4,552,000,000 (2015)
Per Capita GDP: $16,236.95 (2015)

Department of Commerce 2016 Trade Statistics

U.S Exports	$482,500,000
U.S Imports	$49,700,000
Trade Balance	$432,800,000



Economic Review: Barbados' economy historically has been one of the more resilient in the region. An October 2017 review by the Central Bank of Barbados estimated that the economy would grow between 1.0 percent and 1.5 percent in 2017. However, the country struggled with balance of payments concerns, consecutive international rating downgrades and slow economic performance. The economy continued to benefit from lower fuel prices, increased tourist arrivals, and increased exports. Barbados encouraged investment in international financial services, tourism, information technology, agro-processing, health, education, hydroponics, and alternative and renewable energy.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Barbados joined the WTO in 1995. Barbados' tariffs are bound at a high level, similar to many other Caribbean countries. In WTO negotiations, Barbados is a vocal advocate of special and differential treatment for small-island developing states. Barbados has generally demonstrated a commitment to fulfill its WTO obligations on schedule.

Protection of Intellectual Property: Barbados remained on the Watch List in the 2017 USTR Special 301 report. The Report noted that while Barbados' legal framework largely addressed IPR, the United States was concerned over the interception and retransmission of U.S. cable programming without the consent and compensation of U.S. right holders. The United States was also concerned about the country's slow legal system, weak enforcement, and lack of reform.

Provision of Internationally Recognized Worker Rights: Barbados has ratified all eight of the ILO core labor conventions. In Barbados, the law provides for the right of workers to form and join unions and conduct legal strikes but does not specifically recognize the right to bargain collectively. Under Barbados' Trade Union Act, companies are not obligated to recognize unions or to accept collective bargaining. Most companies have recognized the right to bargain collectively when a significant percentage of their employees expressed a desire to be represented by a registered union. Although some companies were sometimes hesitant to engage in collective bargaining with a recognized union, in most instances they would eventually do so. Trade unions enjoy a strong voice in the labor and economic affairs of the country.

Barbados' Shop Keepers Act provides for minimum wage rates for specified categories of workers. The categories of workers with a formally regulated minimum wage are household domestic workers and shop assistants. The minimum wage for these employees was BBD 5 (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 has recommended that companies use this as the de facto minimum wage, and the prevailing wage on the island was higher than the legal minimum wage.

Barbados' Employment Rights Act of 2012 established the right of workers to consultation before being laid off, the right to priority re-hiring in certain cases, and the right not to be unfairly dismissed. The Employment Act sets the minimum employment age at 16 for certain sectors including mining, quarry work, manufacturing, construction, and demolition work. Other sectors, notably agriculture, are not covered. The Employment Act also prohibits children under the age of 18 from engaging in any work likely to harm their safety, health, or morals. However, the Act does not specify the types of work to which this prohibition refers.

Commitments to Eliminate the Worst Forms of Child Labor: While the worst forms of child labor were not widespread in Barbados, the Government of Barbados had not ratified the UN Convention on the Rights of the Child Optional Protocol on the Sale of Children, Child Prostitution and Child Pornography and the Palermo Protocol on Trafficking in Persons. However, there were recent improvements. For example, Barbados created the National Committee for Monitoring the Rights of the Child to protect the rights of children and to implement the UN Convention on the Rights of the Child. Barbados also supported and implemented various social programs that may help prevent child labor. The Barbados National Committee for Monitoring the Rights of the Child protected the rights of children and implements the UN Convention on the Rights of the Child. Ministry of Labor inspectors may take legal action against an employer who is found to have underage workers.

Counter-narcotics Cooperation: The President has not identified Barbados as a major drug transit or illicit drug producing country under the Foreign Relations Authorization Act. The Royal Barbados Police Force (RBPF) has a Drug Squad, which has a priority mandate to cooperate and share information and intelligence with regional and international counterparts. The Drug Squad is guided by the Barbados National Anti-Drug Plan, which outlines the country's policies, goals, strategies, and legislation to combat narcotics trafficking. Its primary focus is on major traffickers, although it also monitors street "mules" and low-level drug traffickers. The Drug Squad works closely with the Regional Security Systems (RSS) Air Wing, the RBPF Marine Unit, and the Barbados Coast Guard.

Trends in cocaine smuggling suggest that Venezuelan drug trafficking rings have fostered relationships with local Barbados-based criminal organizations to facilitate trafficking. These organizations arranged drops of cocaine by foreign vessels at predestined coordinates for retrieval by local vessels at sea. As a regional financial center, the country was susceptible to money laundering associated with the domestic sale of illegal narcotics and the laundering of foreign criminal proceeds. Barbados' criminal law limits the government's ability to seize assets acquired through criminal activity without conviction. The Government of Barbados lacks sufficient non-conviction based asset-forfeiture laws.

Implementation of the Inter-American Convention against Corruption (IACAC): Barbados has signed but not yet ratified the IACAC. National law provides criminal penalties for official corruption, and the government generally implemented these laws effectively. In 2012, Barbados enacted the Prevention of Corruption Act, which includes standards of integrity in public life.

Transparency in Government Procurement: Barbados is not a signatory of the WTO Agreement on Government Procurement. The government, through the Ministry of Finance's Special Tenders Committee, followed competitive bidding standards for most contracts and acquisitions. A centralized Tenders Committee (TC) oversees the procurement process for goods and services above specified limits. With the exception of the procurement of drugs and pharmaceuticals, only the Barbadian Cabinet can approve the procurement of supplies or services outside the ambit of the General Tenders Committee.

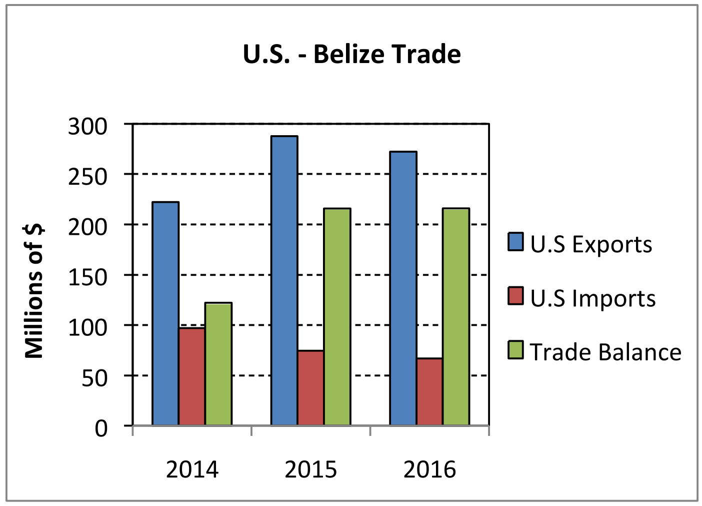
Nationalization/Expropriation: There are no pending expropriation cases involving American citizens. The Barbados Constitution and the Companies Act (chap. 308) contain provisions requiring the government to provide prompt payment at fair market value upon acquiring property for public use.

Belize

Population:	376,000 (2015)
GDP:	$1,740,000,000 (2015)
Per Capita GDP:	$4,629.98 (2015)

Department of Commerce 2016 Trade Statistics

U.S Exports	$267,200,000
U.S Imports	$55,500,000
Trade Balance	$211,700,000



Economic Review: Belize is a small, open economy whose primary sectors are agriculture, tourism, and services. The country has the lowest population density in Central America, which impedes economies of scale. Given its limited domestic market, trade was particularly important to the economy, but poor infrastructure added to the cost of transportation to both domestic and international markets.

Belize's economy was vulnerable to internal and external shocks, including natural disasters - particularly hurricanes, agricultural and animal diseases, and invasive species, all of which impacted the agricultural and aquaculture industries in recent years. Because of this, GDP growth was volatile, rising from by 0.7 percent in 2013, to 4.1 percent in 2014, then and falling to by 2.9 percent in 2015. The economy contracted again in 2016 to by 2.1 0.8 percent due to continued slowdown in petroleum extraction and exports, setbacks in agriculture, destruction caused by Hurricane Earl, and the temporary loss of correspondent banking relationships. The government's ability to address challenges was constrained by high debt levels and limited fiscal means.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Belize has been a WTO Member since 1995 and completed a Trade Policy Review in 2017. However, Belize was one of the few Caribbean countries with non-resident diplomatic representation to the WTO, through its mission in Belgium. Belize also faced difficulties in implementing WTO agreements due to the limited staff in the government's trade ministry.

Protection of Intellectual Property: The Belize Intellectual Property Office was established to administer intellectual property laws, and it functions as Belize's national intellectual property registry. Its mandate covers the protection of copyrights, industrial designs, patents, trademarks, new plant varieties, and layout designs (topographies) of integrated circuits. Despite the establishment of intellectual property laws and an enforcement agency, illegally copied CDs and DVDs were widespread and marketed throughout the country. Free Trade Zones near the

Mexican and Guatemalan borders routinely sold counterfeit and pirated products. Local cable companies and television stations broadcast content pirated from U.S. television networks and cable channels, and pirating of new streaming service providers such as Netflix become more widespread.

Provision of Internationally Recognized Worker Rights: Belize has ratified all eight of the ILO core labor conventions. The law generally provides for the right of association, the right to organize and bargain collectively, and the right to establish and join independent trade unions and conduct legal strikes. Belize's constitution prohibits all forms of forced or compulsory labor. The 2013 anti-trafficking laws carry penalties for forced or compulsory labor of one to 12 years imprisonment. To date, there has only been one conviction under the 2013 legislation.

The national minimum wage is BZ$3.30 (approximately $1.70) per hour across-the-board and is enforced by the Ministry of Labor. The minimum wage includes unskilled workers engaged in agriculture and the agricultural industry, manual workers, shop assistants, and domestic workers. The law sets the work week at no more than six days or 45 hours and requires payment for overtime work. The agricultural sector continued to use undocumented Central American workers during land preparation and harvesting. Belizean employers are obligated to take "reasonable care" for the safety of employees in the course of their employment, but Belize does not have overarching occupation and safety legislation.

Commitments to Eliminate the Worst Forms of Child Labor: In 2016, Belize made minimal progress to eliminate the worst forms of child labor. The Government secured its first trafficking conviction under the 2013 Anti-Trafficking Law and expanded a conditional cash transfer program to cover 400 vulnerable families. However, children in Belize performed dangerous tasks in agriculture. Children engaged in the worst forms of child labor, including in commercial sexual exploitation, sometimes as a result of human trafficking. Important gaps in the country's legal framework remained. Belizean law does not conform to international standards since it sets the minimum age for employment at 12 years old. Although Belizean law indicates that children under age 18 are prohibited from being employed or engaged in any activity that may be detrimental to their health, education, or mental, physical, or moral development, the law does not specify which employment activities are detrimental to children. In addition, the Government did not appear to have programs to reduce child labor in agriculture, a sector in which child labor remained prevalent.

Counter-narcotics Cooperation: The President identified Belize in 2017 as a major drug transit or major illicit drug producing country under the provision of the Foreign Assistance Act. Belize is not, however, designated as having "failed demonstrably" to make substantial efforts during the prior 12 months to fulfill its obligations under international counter-narcotics agreements and conventions. Due to its position along the Central American isthmus, Belize was susceptible to the transshipment of cocaine between drug-producing countries in South America and the United States, as well as chemicals bound for processing 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. U.S. support included infrastructure upgrades, training, and the provision of equipment for the Belize Police Department and other Government of Belize departments involved in citizen security. The United States provided assistance to the Belize Defense Forces and Coast Guard, which also supported the counter-narcotics mission. As part of the Caribbean Assistance Regional Security Initiative, the United States refurbished boats and provided equipment and technical assistance to add police maritime capability. Efforts were made to improve law enforcement and military communications nationwide. The government of Belize was a willing partner in counter-narcotics efforts.

Implementation of the Inter-American Convention against Corruption (IACAC): Belize signed the IACAC in 2001 and ratified the Convention in 2002. Belize signed the UN Convention Against Corruption in December 2016 and worked closely with the UN to follow the detailed implementation protocol. Belize passed the Prevention of Corruption Act of 2007 and created offices meant to deal with official corruption. However, enforcement was weak to non-existent. Fewer than 25 percent of parliamentarians and public officials comply with the Act, with no repercussions. The Act gives the Belize Integrity Commission investigative responsibility to combat corruption, but the body had been dissolved for several years before being reconstituted in January 2017. The United States awarded the United Nations Development Program $250,000 in September 2017 for a 24-month program for the Strengthening of the National Systems to Support UNCAC implementation in Belize.

Transparency in Government Procurement: Belize has made attempts to address transparency in government procurement. The Finance and Audit (Reform) Act of 2005 provides standards to ensure regulation of public revenue, expenditure, and contracting. The government must submit purchases of over $2.5 million to public bidding by both local and foreign companies. Despite having legislative and regulatory measures, many businesses complained that both major political parties practiced partisanship bias that impacted who received licenses and won government contracts for procurement of goods and services, as well as who benefited from the granting of government land. Middle-class citizens and business owners throughout the country complained that government officials, including police, solicited bribes.

Nationalization/Expropriation: The United States is not aware of any new expropriation cases against U.S. citizens. The government either engaged in negotiated settlements or used a court-appointed Board of Assessments.

Extradition: Belize and the United States signed an extradition treaty in 2000 and exchanged instruments of ratification in 2001. The United States made several extradition attempts but there has not been a single successful case.

Market Access/WTO Rules: The United States is not aware of any cases in which U.S. exports have been adversely affected in seeking access to the Belizean market. Belize has cultural and familial ties to the United States which drove consumer taste toward U.S. goods and services. Belize also maintained its long-standing exchange rate pegged to the U.S. dollar. U.S. service providers were prominent in tourism-related activities including the airline, hotel, and hospitality service industries.

Export Subsidies: Belize notified the WTO in October 2016 that it had not made changes to investment programs that involved prohibited subsidies. These programs are under the Fiscal Incentives Act, the Free Zones Act, and the Export Processing Zone Act. The government began revising these laws to bring them into WTO compliance, according to the WTO Secretariat's report prepared for Belize's 2017 Trade Policy Review.

Contribution to Regional Revitalization: As a member of the CARICOM Single Market and Economy, Belize applied the CARICOM common external tariff with several exceptions. Intra-CARICOM trade remained Belize's fourth largest export market. Belize began exporting poultry and dairy products into the Caribbean market for the first time in 2016, adding to its other export commodities including legumes, corn meal, and citrus juices.

Self-Help Measures: The Government of Belize made efforts to diversify its exports. Tourism remained the strongest growth sector. In November 2016, Norwegian Cruise Lines launched its newest destination in Harvest Caye, Belize with an investment of U.S. $100 million, the largest private sector investment to the industry in Belize. Since 2015, several airlines opened new routes to Belize, including Southwest, West Jet, Air Canada, and COPA Airlines. The agribusiness and light manufacturing sectors also expanded, though agriculture remains primarily commodity-driven with little value-added production.

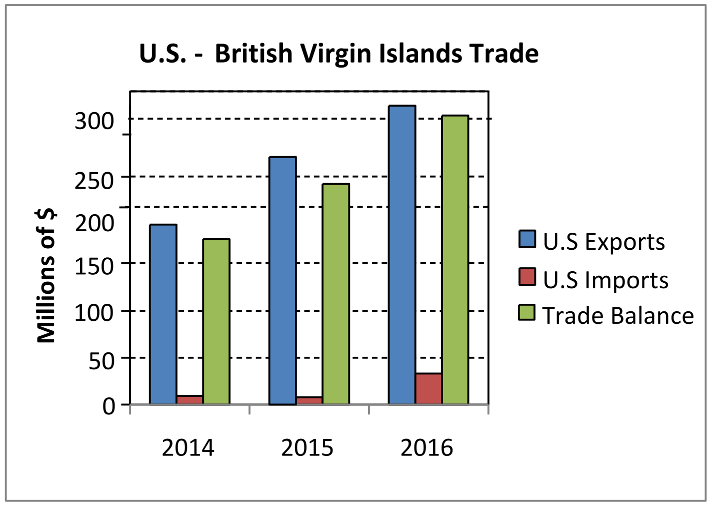
British Virgin Islands

Population: 31,000 (2016)*
GDP: $902,000,000 (2014)*
Per Capita GDP: $30,501 (2014)*

*Source: UN Statistics Division

Department of Commerce 2016 Trade Statistics

U.S Exports	$332,900,000
U.S Imports	$31,100,000
Trade Balance	$301,800,000



Economic Review: The economy of the British Virgin Islands (BVI), which has traditionally been one of the more stable in the Caribbean, is markedly tied to tourism. Services and other activity, including tourism, accounted for 88 percent of the country's gross value added. The government generated substantial revenues in incorporation fees by offering offshore registration to companies wishing to incorporate in the islands.

BVI has a sophisticated and well-established financial sector that offers accounting, banking and legal services, captive insurance, company incorporations, mutual funds administration, trust formation, and shipping registration. As of September 2016, the commercial banking sector had assets valued at approximately $2.2 billion. Poor soils remained a challenge and limited the British Virgin Islands' ability to expand agricultural activity and meet the food requirements of the population.

The economy and infrastructure of the British Virgin Islands were damaged in 2017 by Hurricane Irma and Hurricane Maria. The British Government announced £32 million in disaster relief for its Caribbean territories and deployed over 200 troops to the British Virgin Islands.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: BVI is not a WTO Member.

Protection of Intellectual Property: Laws of the United Kingdom govern the protection of intellectual property in the BVI.

Provision of Internationally Recognized Worker Rights: The Minister of Natural Resources and Labor increased the minimum wage to $6 effective on October 1, 2016. The previous minimum wage had been one of the lowest of the British Overseas Territories in the Caribbean. The Ministry of Natural Resources and Labour manages and administers labor matters in all sectors of the economy and regulates working conditions that protect the health, safety and welfare of workers. The Labour Commissioner's mission is to protect the rights and wages through the enforcement of the BVI labor laws.

The minimum age for employment under the Labor Code is 16 years of age, and children younger than 18 years of age are prohibited from hazardous work. Children between the ages of 16 and 18 must have sufficient training and supervision when operating heavy machinery, and all children younger than 18 years of age are prohibited from night work.

Commitments to Eliminate the Worst Forms of Child Labor: According to the Department of Labor's 2016 *Findings on the Worst Forms of Child Labor*, there is no evidence of a problem with child labor, including its worst forms, in BVI. However, the law does not prohibit the involvement of children in illicit activities, and the minimum age for recruitment by non-state armed groups does not meet international standards. In addition, the Government also has not yet determined the types of hazardous work prohibited for children beyond night work and the use of dangerous machinery. The Government took positive steps in 2016 to eliminate commercial sexual exploitation of children by funding an online system for the public to report cases, which are transferred to the police.

Counter-narcotics Cooperation: BVI has not been identified by the President as a major drug transit or major illicit drug producing country in 2017. In the 2017 International Narcotics Control Strategy Report (INCSR), however, the U.S. Department of State identified BVI as a major money laundering country. According to the INCSR, BVI was a favored destination for registering shell companies cheaply and quickly. BVI was a major target for drug traffickers, who used the area as a gateway to the United States. BVI authorities continued to work with regional and U.S. law enforcement agencies to reduce these threats.

The United States and the United Kingdom have a judicial narcotics agreement and a Mutual Legal Assistance Treaty (MLAT) relating to some UK territories such as the Cayman Islands, Anguilla, BVI, Montserrat, and the Turks and Caicos Islands. There was strong collaboration between BVI law enforcement and regional as well as U.S. law enforcement agencies, resulting in several successful operations targeting drug smuggling and drug dealing. There were 24 money laundering-related prosecutions and 13 convictions since 2008.

Implementation of the Inter-American Convention against Corruption (IACAC): BVI is not a signatory to the IACAC, but as a British Overseas Territory, its international obligations derive from those of the United Kingdom.

Transparency in Government Procurement: The law governing procurement is that of the United Kingdom.

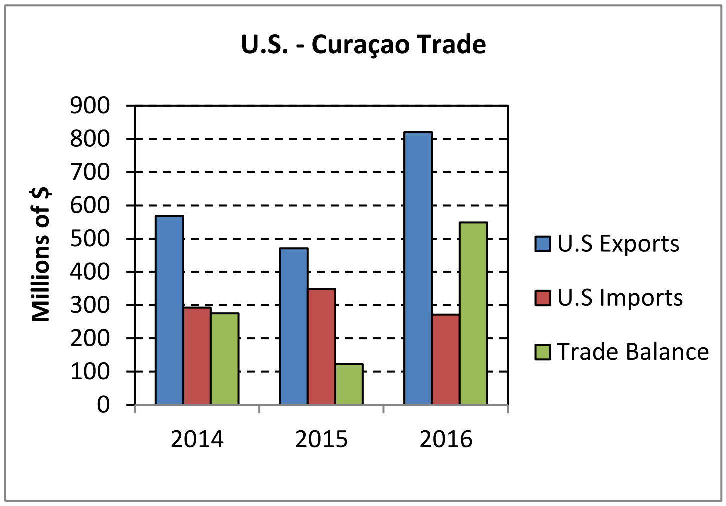
Curaçao

Population:	159,000 (2015)*
GDP:	$3,159,000,000 (2014)*
Per Capita GDP:	$20,282.7 (2014)*

*Source: UN Statistics Division

Department of Commerce 2016 Trade Statistics

U.S Exports	$820,400,464
U.S Imports	$271,941,845
Trade Balance	$548,458,619



Economic Review: Curaçao's economy depended mainly on tourism and oil refining. The economy shrank in 2016, and slow growth was predicted for 2017. Curaçao's other profitable sectors included offshore finance, transportation, communication, and bunkering. Curaçao had limited natural resources and limited manufacturing, requiring the country to import most goods. The political situation in Venezuela negatively affected the economic performance of Curaçao.

Curaçao's natural harbor accommodates large oil tankers, and most of the oil refined in Curaçao was imported from Venezuela and exported to the United States and Asia. Curaçao imported nearly all of its capital and consumer goods, and the United States is the main supplier of imports to the country.

Curaçao promoted sustainable economic development through green and renewable energy, better links between the educational system and business, increasing public and private sector efficiency, and streamlining and expediting licenses and permits. The government also made efforts to diversify its economy, and has invested in infrastructure and information and communication technology.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Curaçao is a member of the WTO through the membership of the Kingdom of the Netherlands.

Protection of Intellectual Property: In Curaçao, patents are protected in a central registry in the Netherlands. Authors and copyrights are protected by the Authors' Decree of 1913. Trademarks are protected by the National Ordinance on Trademarks of 1995, the Trademark Decree of 1995, and regulated by the Bureau for Intellectual Property (BIP).

Provision of Internationally Recognized Worker Rights: The Curaçao Constitution and the Ordinance on Collective Labor Agreements allow workers to unionize and conduct strikes. Unions are allowed to conduct their activities without interference, and the law prohibits anti-union discrimination or retaliation against legal strikers. Enforcement is carried out by labor inspectors of the Ministry of Social Development, Labor, and Welfare.

The country has regulations regarding minimum wages, hours of work, and occupational safety and health. Employees may work a maximum of 10 hours per day, and overtime is compensated by rates of 175 percent on a scheduled day off, 200 percent on a day of rest, and 250 percent on a holiday.

Commitments to Eliminate the Worst Forms of Child Labor: There are no reports of child labor in Curaçao. The Kingdom of the Netherlands is responsible for safeguarding fundamental human rights and freedoms in its territories, including in Curaçao. Curaçao has not ratified ILO Convention 182, which concerns the elimination of the worst forms of child labor. However, national laws and regulations prohibit work performed by children. The minimum age for employment on Curaçao is 15 years of age. Inspectors of the Ministry of Education, Sport, and Culture enforced laws and policies to protect children. No cases of child labor violations were registered with the Ministry. Children age 12 or older who have finished elementary school may work if doing so is necessary for learning a trade or profession, not physically or mentally taxing, and not dangerous. The government and a tripartite labor commission effectively enforced the minimum-age laws and conducted adequate inspections. No child labor complaints were ever been filed or registered in Curaçao.

Counter-narcotics Cooperation: Curaçao has not been identified by the President as a major drug transit or major illicit drug producing country under the provision of the Foreign Relations Authorization Act and is a partner in the U.S. counter-narcotics activities. There were reports that Curaçao served as a transshipment point for cocaine from Colombia and Venezuela destined for the United States, other Caribbean islands, Africa, and Europe via fishing boats and inter-coastal freighters.

The obligations of the Netherlands as a party to the UN Single Convention on Narcotic Drugs and the UN Convention against Transnational Organized Crime and its three Protocols apply to Curaçao.

Curaçao demonstrated its commitment to U.S. counter-narcotics effort by continued support for a U.S. Air Force Forward Operating Location at Curaçao Hato International Airport. Under an agreement, signed in 2000 and extended through 2021, U.S. military aircraft conduct counter-narcotics detection and monitoring flights over both the source and transit zones from commercial ramp space.

Implementation of the Inter-American Convention against Corruption (IACAC): The Kingdom of the Netherlands and its constituent countries are not a signatory of the IACAC. The Council of Europe Civil Law Convention on Corruption has applied to Curaçao since 2010.

Transparency in Government Procurement: The Government of Curaçao applies international competitive bidding standards and guidelines.

Nationalization/Expropriation: The Government of Curaçao has not nationalized properties of any kind. The Government does not expropriate property, except to resolve debts.

Extradition: The 1980 extradition treaty between the United States and the Kingdom of the Netherlands also covers Curaçao.

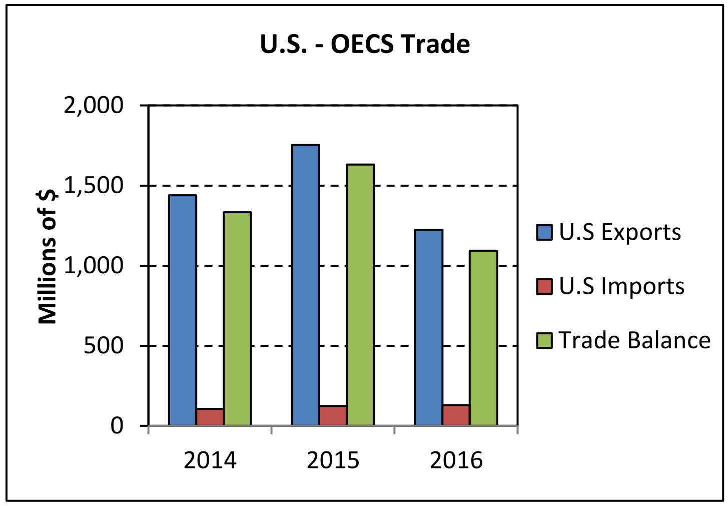
Market Access/WTO Rules: Although customs duties on imports are high, there are no targeted barriers to U.S. goods. All products from any country that comply with import regulations and health standards are allowed for import.

Export Subsidies: Curaçao does not offer export subsidies, and the United States is not aware of any trade-distorting export performance or local content requirements.

Contribution to Regional Revitalization: Curaçao traded with other CBI countries for a broad spectrum of merchandise. Its open trade policies contributed to the CBI region by stimulating trade within and outside the region. Curaçao's seaport and airport facilities also served as important regional distribution hubs.

Self-Help Measures: The Government of Curaçao promoted sustainable economic development by encouraging green and renewable energy use, establishing better links between the educational system and businesses, increasing public and private sector efficiency, and streamlining and expediting licenses and permits, adopting the theme "from red tape to red carpet" to attract more investment.

The Organization of Eastern Caribbean States



Department of Commerce 2016 Trade Statistics

U.S Exports	$1,223,291,879
U.S Imports	$129,679,965
Trade Balance	$1,093,611,914

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:

Population:	90,000 (2011)
GDP:	$1,460,000,000 (2011)
GDP per capita:	$16,175.59 (2011)

Economic Review: Antigua and Barbuda is one of the more developed countries in the Eastern Caribbean, with a higher GDP and per capita GDP than many other small island nations. According to the Eastern Caribbean Central Bank (ECCB), Antigua and Barbuda's economy was forecast to grow at a rate of 3.11 percent in 2017. During the last fiscal year, the economy of Antigua and Barbuda benefited from low oil prices, increased tourist arrivals, and revenue from the Citizenship by Investment Program.

The current government remained committed to attracting more foreign investment (FDI) to the country. The government strongly encouraged FDI, particularly in industries that create jobs and earn foreign currency. Through the Antigua and Barbuda Investment Authority, the government facilitated and supported FDI in the country and maintained an open dialogue with existing and potential investors. While the government welcomed all FDI interests, it identified agriculture, diversified tourism, healthcare services, outsourcing and business support services, information and communication technologies, and international financial services as top investment areas.

On September 5, 2017 Hurricane Irma decimated the smaller, sister island of Barbuda, home to around 1,800 individuals. Antigua was largely unaffected and hosts nearly the entire population of Barbuda while the island rebuilds. A World Bank assessment indicated the damage equals USD $175 million.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Antigua and Barbuda, like all OECS Members (except Montserrat, which is a U.K. overseas territory), has been a WTO member since 1995 and generally demonstrates a commitment to fulfill its WTO obligations on schedule.

Protection of Intellectual Property: Though Antigua and Barbuda has a legislative framework supporting its commitment to the protection of intellectual property rights, enforcement of intellectual property rights protection is insufficient. Antigua and Barbuda is a signatory to the Paris Convention for the Protection of Industrial Property, the Berne Convention for the Protection of Literary and Artistic Works, and a number of additional international protocols regarding intellectual property rights. However, despite being a signatory to the Paris Convention, Berne Convention, and numerous intellectual property rights protocols, Antigua and Barbuda has sought authorization to retaliate against the United States on intellectual property rights in connection with a WTO Appellate Body ruling.

Provision of Internationally Recognized Worker Rights: Antigua and Barbuda has adopted various laws regarding worker rights. The country has ratified all eight of the ILO core labor conventions. The minimum wage is EC$8.20 (approximately $3.03) an hour for all categories of labor. The law provides that workers not be required to work more than a 48-hour, six-day workweek, but in practice the standard workweek is 40 hours for five days. Antiguan law establishes the minimum working age at 16, which corresponds with the provision of the Education Act. In addition, persons under 18 years of age in some sectors must have medical clearance to work and may not work later than 10:00 p.m.

Commitments to Eliminate the Worst Forms of Child Labor: 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 Ministry of Labor is required by law to conduct periodic inspections of workplaces and effectively enforces child labor laws. The labor commissioner's office also has an inspectorate that investigates exploitative child labor matters.

Counter-narcotics Cooperation: The President has not identified Antigua and Barbuda as a major drug transit or major illicit drug producing country under the provisions of the Foreign Relations Authorization Act.

However, Antigua and Barbuda was vulnerable to money laundering and other financial crimes, and drug trafficking appears to be increasing. The Antiguan Office of National Drug Control and Money Laundering Policy (ONDCP) required the reporting of financial intelligence and investigation, Anti-Money Laundering/Combatting Terrorism Financing (AML/CFT) compliance, and counter-narcotics operations. The ONDCP cooperated with U.S. law enforcement agencies to combat narcotics trafficking. The Royal Police Force of Antigua and Barbuda is responsible for investigating drug trafficking, money laundering, terrorist financing, and other financial crimes.

Antigua and Barbuda continued to work to improve its anti-money laundering regime. The Proceeds of Crime Amendment Act of 2014 introduced civil forfeiture provisions in Antigua and

Barbuda and includes amendments to improve the provisions relating to criminal confiscation. Antigua and Barbuda recorded its first successful confiscation case under the Proceeds of Crime Act in October 2015. In 2016, U.S. prosecutors alleged that government officials from Antigua and Barbuda participated in a corruption scandal involving the payout of close to $8 million in bribes by the Brazilian construction contractor Odebrecht. The corruption allegations involve two high-level officials and two offshore banks in Antigua and Barbuda. Antigua and Barbuda investigated allegations of money laundering. In spite of this, there were few successful investigations, prosecutions, or convictions.

The 2017 International Narcotics Control Strategy Report notes that the Antiguan government established a Drug Information Network of Antigua and Barbuda in 2016 to monitor drug trends, develop policy, and implement appropriate solutions.

Implementation of the Inter-American Convention against Corruption (IACAC): Antigua and Barbuda has ratified the IACAC. Antigua and Barbuda has also joined the Mechanism for Follow-Up on the Implementation of the Inter-American Convention against Corruption guided by the IACAC. This inter-governmental body institutes a process of cooperation, reciprocal evaluation, and recommendations in respect to areas in which there are legal gaps or in which further progress is necessary among member states. However, allegations of corruption against government officials are fairly common. None of the investigations of these allegations has resulted in confirmed findings.

Antigua and Barbuda passed three sets of legislation related to corruption. This legislation was designed to reduce corruption and encourage good governance, as well as provide for criminal penalties for official corruption. In October 2014, the government announced plans to set up an anti-corruption unit to ensure the government improves compliance on anti-corruption strategies. The Integrity in Public Life Act requires public officials to disclose all income, assets, and personal gifts while in public office. The law established an Integrity Commission to receive and investigate complaints regarding noncompliance with the IACAC. The Freedom of Information Act gives citizens the right to access official documents from public authorities and agencies. In practice, citizens have found it difficult to obtain documents, possibly due to government funding constraints rather than obstruction.

Transparency in Government Procurement: As a member of the OECS, Antigua and Barbuda continues the general practice of maintaining open and transparent government procurement policies. The United States is not aware of any non-competitive bidding procedures. Antigua and Barbuda participates in the development of the Framework for Regional Integration of Public Procurement, which makes provisions for the use of standard bidding documents and standard operating procedures within the Caribbean community. Antigua and Barbuda is not a signatory of the WTO Agreement on Government Procurement.

Nationalization/Expropriation: The United States has raised concerns about expropriation by the Antiguan government. In 1971, U.S. holding company HMB Holdings Limited (HMB) purchased a hotel property named Half Moon Bay in Antigua. In 1995, Hurricane Luis struck Antigua, causing widespread damage and closing the hotel. In 1999, the Government of Antigua moved to acquire the property compulsorily in order to resume hotel operations. In November 2015, the government of Antigua and Barbuda paid the property owners the amount of USD $16 million towards the USD $41.7 million now owed. While the property was sold in 2015, the Government of Antigua and Barbuda still owes accumulated interest on the property. The owner intends to continue challenging the Government of Antigua and Barbuda in court until all monies are paid. The United States is continuing to assess this situation.

Dominica:

Population:	71,000 (2015)
GDP:	$581,000,000 (2015)
GDP per capita:	$8,220.13 (2015)

Economic Review: According to Eastern Caribbean Central Bank statistics, The Commonwealth of Dominica's GDP grew by about 2¼—3 percent each of the last 4 years. The economy was primarily dependent on agriculture but saw increases in tourism as the government promoted the country as an ecotourism destination. In its efforts to diversify the economy, the government also established an offshore medical education sector and an offshore financial industry. Though public debt levels remained high, they declined in recent years in part due to revenues from the Citizenship by Investment Program.

On September 28, 2017, Hurricane Maria devastated Dominica's infrastructure, destroying or significantly damaging 90 percent of buildings. Electricity, telecommunications, water and sanitation systems sustained long-term, extensive damage. Hurricane Maria interrupted agriculture and livelihood activities as well. Initial estimates indicate the damage is over 200 percent of Dominica's GDP.

Commitments to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Dominica, like the other OECS Members, generally demonstrates a commitment to fulfill its WTO obligations on schedule. Dominica became a WTO Member on January 1, 1995.

Protection of Intellectual Property: Dominica moved toward harmonizing its intellectual property laws with the OECS. Dominica does not maintain statutory licensing regimes and stakeholders raised concerns that Dominica failed to intercede when unauthorized companies intercepted and retransmitted copyrighted content without remuneration.

Provision of Internationally Recognized Worker Rights: Dominica has adopted various laws regarding worker rights and has ratified all eight of the ILO core labor conventions. Dominica's minimum wage law establishes a base wage of EC$5.00 (approximately $1.87) per hour for all public and private workers. Dominica last updated its minimum wage in June 2008. The wage varies according to category of worker, with the lowest minimum wage set at EC$4.00 (approximately $1.50), and the maximum at EC$5.50 (approximately $2.06) per hour. However, most workers, including domestic employees, earned more than the minimum wage, as prevailing wages were much higher than statutory minimum wages.

The Department of Labor notes in its 2016 Findings on the Worst Forms of Child Labor report that Dominica needs to harmonize its child labor laws, as conflicting minimum ages in various laws and regulations—there are three different minimum ages for work—makes it difficult to enforce the laws. In 2016, Dominica continued to develop a list of hazardous occupations for children and harmonize legislation on the legal age for employment. There were no abuses reported.

Commitments to Eliminate the Worst Forms of Child Labor: The Department of Labor's 2016 Findings on the Worst Forms of Child Labor finds evidence that children were engaged in the worst forms of child labor in sexual exploitation in Dominica. Due to exceptions to the minimum age for hazardous work, the Government was unable to effectively prevent children from engaging in exploitative work. The report also notes that Dominica does not explicitly prohibit the use of children in prostitution, pornography, or illicit activities such as drug trafficking.

Counter-narcotics Cooperation: The 2017 International Narcotics Control Strategy Report does not identify Dominica as a major drug trafficking country and notes that it has laws that facilitate the prosecution of narcotics cases, including comprehensive civil asset forfeiture laws and a dedicated forfeiture fund to attack transnational organized crime by seizing illegal assets. These forfeited funds were used to support police, prosecutors, victim restitution, drug abuse prevention and treatment, and Regional Security System (RSS) contributions. The RSS, funded mainly by the United States, employed two Maritime Patrol Aircraft for counternarcotic purposes.

Implementation of the Inter-American Convention against Corruption (IACAC): Dominica ratified the IACAC in June 2004.

Transparency in Government Procurement: Dominica is not a signatory of the WTO Agreement on Government Procurement (nor are any other OECS countries), but it maintains open and transparent government procurement policies. The United States is not aware of any non-competitive bidding procedures.

Grenada:

Population:	107,000 (2015)
GDP:	$1,056,000,000 (2011)
GDP per capita:	$9,857.47 (2011)

Economic Review: Grenada's main source of foreign exchange was tourism, similar to others in the region. In addition, construction, manufacturing, and higher education were key contributors to Grenada's economic output.

In 2014, Grenada entered into a three-year structural adjustment program, supported by the IMF, with the goals of boosting inclusive growth, creating jobs, and restoring fiscal and debt sustainability. The program saw the introduction of a new tax regime and revenue sustainability programs to balance the debt burden. The sixth and final review under the program concluded in

May 2017, and the IMF reported that Grenada had successfully met its targets, which included fiscal adjustment and debt reduction[40]. In addition to $20 million in IMF financing, Grenada benefitted from $60 million thus far in concessional loan financing provided equally from the World Bank and Caribbean Development Bank, due to the successful implementation of the program. Tax revenues have also been growing in response to both increased economic activity and compliance. Public debt is down from 108 percent to 83 percent of GDP, and is expected to reach 72 percent by the end of 2017. This afforded the Government of Grenada the opportunity to allocate money towards the improvement of healthcare, education, agriculture, infrastructure and other programs. Grenada passed legislative reforms in 2016 to strengthen its fiscal policy framework.

In 2016, Grenada again outperformed the Eastern Caribbean Currency Union average of 2.6 percent, with an estimated growth rate of 3.9 percent. Projection for 2017's estimated growth in real terms is 3 percent, driven by agriculture, tourism, construction and education. The government's fiscal position continues to show improvement following the IMF-facilitated three-year structural adjustment program, due to the improved administration and collection of taxes, strict budget controls, and increased efficiency in government spending.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Grenada became a WTO Member on February 22, 1996. Grenada also supported a request for an extension of time for the continued granting of export subsidies for developing countries until the year 2018, along with a number of other developing WTO Member countries. Grenada is a member of the Small, Vulnerable Economies group, ACP group, the G-90, G-33, and the group of "W52" sponsors.

Protection of Intellectual Property: Administration of intellectual property laws in Grenada falls under the responsibility of the Ministry of Legal Affairs, and the registration of patents and trademarks is conducted at the Corporate Affairs and Intellectual Property Office, Ministry of Legal Affairs. Grenada operates a re-registration system of patent based on registration in the United Kingdom. The Registration of the United Kingdom Patents Act, Cap. 283 and Grenada's Patent Act No. 16 of 2011 govern Grenada's system for registering patents. However, the latter is not yet in force. In accordance with Section 2 of the Registration of United Kingdom Patents Act Cap 283, any patent holder in the United Kingdom may apply within three years from the date of issue of the patent to register it in Grenada.

Grenada maintains a statutory licensing regime that includes a requirement to pay royalties to rights holders. Some rights holders have asserted that this regime is ineffective and does not provide royalty payments due to a pattern of unlicensed cable-casting and broadcasting of copyrighted music.

Provision of Internationally Recognized Worker Rights: The laws of Grenada explicitly outline the rights of workers, including their right to join and form independent labor unions and

[40] https://www.imf.org/en/News/Articles/2017/05/18/pr17182-imf-executive-board-completes-final-review-under-the-ecf-arrangement-for-grenada

participate in collective bargaining including strikes. Employers are generally expected to recognize a union that represents the majority of workers, but they are not obligated to recognize a minority union formed by only some employees. In public service industries, the Ministry of Labor, in its discretion, may refer labor disputes to compulsory arbitration. These sectors include public utility companies and public health and protection services such as sanitation, airport, seaport, and dock services.

Article 32 of the Employment Act deals with the prohibition of child labor. It states that no person under the age of 16 years shall be employed or allowed to work in any public or private agricultural, industrial or non-industrial undertaking except for holiday job employment. Additionally, no person under the age of 16 years shall be employed or allowed to work on vessels. Part 7 of the Employment Act provides for the protection and regulation of wages, and article 52 specifically sets the minimum wage, which vary according to occupation.

Commitments to Eliminate the Worst Forms of Child Labor: The Department of Labor's 2016 Findings on the Worst Forms of Child Labor indicate that the worst forms of child labor do not appear to be a problem in Grenada.

Counter-narcotics Cooperation: The President has not identified Grenada as a major drug transit or major illicit drug producing country under the provision of the Foreign Relations Authorization Act. Grenada passed several laws in 2014 that facilitate the prosecution of narcotics cases, including comprehensive civil asset forfeiture laws.

Implementation of the Inter-American Convention against Corruption (IACAC): Grenada ratified the IACAC in November of 2001.

Transparency in Government Procurement: As a member of the OECS, Grenada maintained open and transparent government procurement policies. The United States is not aware of any non-competitive bidding procedures. Grenada is not a signatory of the WTO Agreement on Government Procurement (nor are any of the other OECS Members).

Nationalization/Expropriation: WRB enterprises, the U.S. parent company of Grenada Private Power Limited (GPP), alleged that Grenada's Public Utilities Regulatory Commission Act of 2016 abrogated GPP's exclusive license. Under the terms of GPP's concession, the Government of Grenada is obligated to compensate GPP or face an expropriation claim. The amount owed to GPP is a matter of current dispute.

Contribution to Regional Revitalization: Grenada participates in the CARICOM Single Market and Economy and has enacted several pieces of legislation to create a trade-friendly environment.

Self-Help Measures: Grenada took steps to promote its economic development. For example, Grenada restructured its debt schedule through a three-year structural adjustment program. Grenada also focused on attracting more investment by passing a new investment promotions act and targeting tourism and agriculture, two of the country's primary economic pillars.

Montserrat:

Population:	5,000 (2016)*
GDP:	$63,000,000 (2014)*
GDP per capita:	$12,384.20 (2014)*
	*Source: UN Statistics Division

Economic Review: Montserrat suffered severe economic difficulty in recent years due to volcanic eruptions. Starting in 1995, repeated eruptions of the Soufriere Hills Volcano in the south of the island have led to the evacuation and relocation of residents from the "exclusion zone." Approximately 60 percent of the island's land area has been abandoned since 1995 and half of the island remains uninhabitable, including the capital city. An estimated 8,000 refugees left the island, though some are returning. While there has been no major volcanic activity since February 2010, activity could resume with little or no warning. The decrease in arable land associated with the volcanic eruptions has increased Montserrat's reliance on tourism.

The Caribbean Development Bank guides Montserrat's redevelopment process with a series of rolling medium-term Sustainable Development Plans, with the goal of transforming the economy by 2020. The government wants to promote private enterprise to drive economic growth.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Montserrat is not a WTO Member.

Protection of Intellectual Property: In Montserrat, the law governing the protection of intellectual property is that of the United Kingdom.

Provision of Internationally Recognized Worker Rights: The labor force in Montserrat is small, and a majority of it is employed by the government. There is no legislated workweek, but workers generally work a 40-hour workweek. 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.

Commitments to Eliminate the Worst Forms of Child Labor: The U.S. Department of Labor's 2016 Findings on the Worst Forms of Child Labor reports that child labor, or its worst forms, does not appear to be a problem for Monserrat. However, there is no formal structure in place to combat child labor, and critical gaps exist in the legal framework to protect children from being involved in the worst forms of child labor. The minimum age for employment under the Montserrat Labor Code is 16 years of age; however, children older than 14 years of age are allowed to participate in light work. Children younger than 18 are prohibited from working at night or in hazardous occupations.

Counter-narcotics Cooperation: Montserrat was not identified as a jurisdiction of concern in the State Department's 2017 International Narcotics Control Strategy Report.

Implementation of the Inter-American Convention against Corruption (IACAC): Montserrat is not a signatory to the IACAC, but as a British Overseas Territory, its international obligations derive from those of the United Kingdom.

Transparency in Government Procurement: Montserrat's laws regarding government procurement are those of the United Kingdom.

St. Kitts and Nevis:

Population:	56,000 (2003)
GDP:	$9,000,000,000 (2016)
GDP per capita:	$15,991.47 (2003)

Economic Review: According to the Eastern Caribbean Central Bank (ECCB), St. Kitts and Nevis had an estimated Gross Domestic Product of $787.8 million in 2016, with forecast growth of 1.93 percent for 2017. During the last fiscal year, the economy of St. Kitts and Nevis remained buoyant, fueled by revenue from its Citizenship by Investment Program, decreased oil prices, a robust construction sector, and increased tourist arrivals. The government committed to creating an enhanced business climate to attract more foreign investment. Priority investment sectors included financial services, tourism, real estate, agriculture, information technology, education services, and limited light manufacturing. St. Kitts and Nevis suffered some impact from the passage of both Hurricanes Irma and Maria in September 2017. The Government of St. Kitts and Nevis assessed the damage at $55 million.

Commitment to Undertake WTO Obligations and Participate in Negotiations towards the FTAA or Another FTA: St. Kitts and Nevis became a WTO Member on February 21, 1996 and generally demonstrates a commitment to fulfill its WTO obligations on schedule.

Protection of Intellectual Property: St. Kitts and Nevis has a legislative framework for intellectual property protection; however, enforcement generally should be strengthened. The administration of intellectual property laws in St. Kitts and Nevis is under the responsibility of the Ministry of Justice, Legal Affairs and Communications. The registration of patents, trademarks, and service marks is administered by the Intellectual Property Office. St. Kitts and Nevis is a signatory to many international agreements related to intellectual property, including the Paris Convention for the Protection of Industrial Property, the Patent Cooperation Treaty (PCT), and the Berne Convention for the Protection of Literary and Artistic Works.

Provision of Internationally Recognized Worker Rights: St. Kitts and Nevis has adopted various laws regarding worker rights, including the ratification of all eight ILO core labor conventions.

The government sets the minimum wage, which is EC$9.00 (approximately $3.33) 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 minimum wage law was strictly enforced. The Labor Commission undertook wage inspections when it received complaints and required employers found in violation to pay back wages. The law provides for a 40- to 44-hour workweek, but the common practice is 40 hours in five days.

The constitution prohibits slavery, servitude, and forced labor of children, and the country's Department of Labor effectively enforced this law. There were no reports of child labor violations during the reporting period. The minimum legal working age is 16 years. Despite this, children under the age of 16 are often engaged in domestic service.

Commitments to Eliminate the Worst Forms of Child Labor: There was no evidence to suggest that the worst forms of child labor was a problem in St. Kitts and Nevis. The minimum legal working age is 16 years. The law permits employment of youth between the ages of 16 and 18 years with regular hours, except in certain industries related to the hotel and entertainment sectors, where their employment is restricted. Other than those limitations, there are no provisions in law or regulation to protect individuals between 16 and 18 years old from working in hazardous conditions. The Labor Ministry relied heavily on school truancy officers and the Community Affairs Division to monitor compliance, which they did effectively. The Labor Ministry reported that investigations were infrequent in the informal sector, and fines and penalties were not always enforced. The ministry provided no information on the amounts of fines, or other penalties required by law.

Counter-narcotics Cooperation: The State Department's 2017 International Narcotics Control Strategy Report on the Eastern Caribbean does not identify specific counter-narcotics concerns in St. Kitts and Nevis but notes that law enforcement capacity is increasingly beleaguered. St. Kitts and Nevis has several programs on prevention and treatment of drug use. Cannabis continues to be cultivated in the mountainous regions.

Implementation of the Inter-American Convention against Corruption (IACAC): St. Kitts and Nevis has ratified the Inter-American Convention against Corruption.

Transparency in Government Procurement: Like other OECS Members, the procurement policies of St. Kitts and Nevis were generally open and transparent, and the United States was not aware of any noncompetitive bidding procedures. St. Kitts and Nevis is not a signatory of the WTO Agreement on Government Procurement. In 2012, St. Kitts and Nevis enacted the Procurement and Contract Administration Act. This piece of legislation makes provision for the grant of government contracts to be done by a transparent bidding process. St. Kitts and Nevis participated in the development of the Framework for Regional Integration of Public Procurement, which makes provisions for the use of Standard Bidding Documents and Standard Operating Procedures within the Caribbean Community.

Nationalization/Expropriation: St. Kitts and Nevis had one unresolved expropriation case involving U.S. citizens and was taking steps to settle the claim. The previous administration of the Government of St. Kitts and Nevis reached a settlement and arranged a payment plan with a U.S. citizen for a large parcel of land. That administration paid the U.S. citizen the installments for 2013 and 2014, but the subsequent administration did not pay the 2015 and 2016 installments. The Government claimed that a second claimant came forward, and that it needed to evaluate the case before paying the remaining installments. The Government of St. Kitts and Nevis remains indebted to the U.S. citizen for two installments of $5 million each.

St. Lucia:

Population:	174,000 (2012)
GDP:	$1,675,000,000 (2016)
GDP per capita:	$9,600.72 (2012)

Economic Review: St. Lucia's economy was dependent on tourism and foreign investment, which accounted for most of its GDP and made it vulnerable to external shocks. Growth of 3.5 percent was forecasted for 2017. The island nation attracted foreign business and investment, especially in its offshore banking and tourism industries. Tourism is was Lucia's main economic sector, accounting for about 20 percent of jobs in the workforce. Real estate and transport were other leading sectors. The St. Lucian government encouraged investment in all sectors, but targeted sectors included: tourism, smart manufacturing and infrastructure, information and communication technologies, alternative energy, education, and knowledge processing operations.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: St. Lucia became a WTO Member on January 1, 1995 and generally demonstrates a commitment to fulfill its WTO obligations on schedule. St. Lucia is a signatory to the World Trade Organization Agreement on the Technical Barriers to Trade and, through its Bureau of Standards, is obligated to harmonize all national standards to international norms to avoid creating technical barriers to trade. St. Lucia is working to improve customs efficiency, modernize customs operations, and address inefficiencies in the clearance of goods.

Protection of Intellectual Property: St. Lucia has a legislative framework for the protection of intellectual property rights; however, enforcement generally should be strengthened. The Attorney General is responsible for administering intellectual property laws. The registration of patents, trademarks, and service marks is administered by the Registry of Companies and Intellectual Property Office. The Copyright Act of 1995 governs ownership and infringement of copyrighted works in St. Lucia. St. Lucia is a signatory to a number of international intellectual property rights treaties, including the Berne Convention, the World Intellectual Property Organization (WIPO) Copyright Treaty, the WIPO Performances and Phonograms Treaty, and others.

St. Lucia maintains a statutory licensing regime that includes a requirement to pay royalties to rights holders. Rights holders assert that they do not receive royalty payments due to a pattern of unlicensed cable-casting and broadcasting of copyrighted music.

Provision of Internationally Recognized Worker Rights: St. Lucia has adopted various laws regarding worker rights. A new labor code took effect in August 2012 that further defines worker rights and increases penalties for violations. The law specifies the right of most workers to form and join independent unions, to strike, and to bargain collectively. The law also prohibits anti-union discrimination, and workers fired for union activity have the right to reinstatement. Worker organizations are independent of the government and political parties. Workers have the right to strike and to bargain collectively. The government generally respected freedom of association and the right to collective bargaining in practice. The government enforced remedies and penalties.

There is no minimum wage in effect. 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 eight labor inspectors and one occupational health and safety qualified inspector for the entire country to monitor compliance with occupational and safety standards, pension standards, and minimum wage violations. The Labor Code sets the minimum age for employment at 15 years of age. Some school age children work in rural areas, including on family 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.

Commitments to Eliminate the Worst Forms of Child Labor: Limited evidence suggests that children are sometimes engaged in commercial sexual exploitation. The law sets a minimum legal working age of 15, once the child has finished the school year. The minimum legal age for industrial work is 18. The law provides special protections for workers younger than 18 regarding working conditions and prohibits hazardous work, although there are no specific restrictions on working hours for those under 18. There is no comprehensive list of what constitutes hazardous work; however, the Occupational Health and Safety Act prohibits children under age 18 from working in industrial undertakings, including using machinery and working in extreme temperatures. Children ages 15 to 18 need a parent's permission to work. The Ministry of Infrastructure, Ports, Energy, and Labor is responsible for enforcing statutes regulating child labor. These laws were effectively enforced, and the penalties and inspections were adequate.

Counter-narcotics Cooperation: The President has not identified St. Lucia as a major drug transit or major illicit drug producing country under the provision of the Foreign Relations Authorization Act. St. Lucia faces difficulty controlling drug related activity throughout the country. Illicit trafficking by established organized crime rings remains a serious problem for the Government of Saint Lucia. A majority of money laundering is primarily related to proceeds from illegal narcotics trafficking. Domestic and foreign criminal elements generate illicit proceeds laundered in St. Lucia. It is suspected that financial institutions unwittingly engage in currency transactions involving international narcotics trafficking proceeds.

Implementation of the Inter-American Convention against Corruption (IACAC): St. Lucia ratified the IACAC in January of 2003.

Transparency in Government Procurement: The government of St. Lucia's procurement policies were generally open and transparent, and the United States was not aware of any non-competitive bidding procedures. St. Lucia is not a signatory of the WTO Agreement on Government Procurement.

Nationalization/Expropriation: St. Lucia expressed willingness to correct certain longstanding expropriation grievances. An American citizen purchased 32 acres of land in St. Lucia in 1969. It was expropriated from him in 1985 by an act of law, and he has sought redress since that time. In July 2014, the Cabinet of Ministers denied the claimant's application to rectify the land registry in his favor. In subsequent recognition of certain questions of fairness associated with the cabinet's review process, the Government of St. Lucia established a committee to review this and similar cases in an attempt to resolve the claim. However, to date the American citizen's expropriation case remains unresolved.

St. Vincent and the Grenadines:

Population:	110,000 (2016)
GDP:	$770,000,000 (2016)
GDP per capita:	$6,991.78 (2016)

Economic Review: According to October 2017 statistics from the Eastern Caribbean Central Bank, St. Vincent and the Grenadines' economy was projected to grow by 2.3 percent in 2017. The country sought to diversify its economy among several markets, particularly tourism, international financial services, agro-processing, light manufacturing, renewable energy, creative industries and information and communication technologies. The long-awaited Argyle International Airport was formally opened in February 2017. Although the airport accommodates some regional, international and private flights, its near-term potential to produce significant economic dividends was unclear. The Government of St. Vincent and the Grenadines strongly encouraged foreign direct investment (FDI), particularly in industries that create jobs and earn foreign exchange.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA St. Vincent and the Grenadines became a WTO Member on January 1, 1995 and generally demonstrates a commitment to fulfill its WTO obligations on schedule.

Protection of Intellectual Property: St. Vincent and the Grenadines has a legislative framework for the protection of intellectual property rights; however, enforcement measures should be strengthened. The administration of intellectual property laws is the responsibility of the Office of the Attorney General. The registration of patents, trademarks, and service marks is administered by the Companies and Intellectual Property Office. St. Vincent and the Grenadines is signatory to the Paris Convention and the Berne Convention, among others. St. Vincent and the Grenadines maintains a statutory licensing regime that includes a requirement to pay royalties to rights holders. Rights holders asserted that they did not receive royalty payments due to a pattern of unlicensed cable-casting and broadcasting of copyrighted music.

Provision of Internationally Recognized Worker Rights: St. Vincent and the Grenadines has adopted various laws regarding worker rights and has ratified all eight of the ILO core labor conventions. The law, including related regulations and statutory instruments, provides for the rights of workers to form and join unions of their choice, bargain collectively, and conduct legal strikes. The law prohibits anti-union discrimination and dismissal for engaging in union activities. The Wages Council Act establishes, through the Wages Council, minimum wages, hours of work, overtime, vacation, sick leave, and maternity leave for specified categories of workers. Employers who fail to pay minimum wages are subject to fines and orders for payment of the wages. The statutory minimum wages are set out in the regulations under the Wages Council Act. The hours of work for specified categories of workers are usually eight hours per day with overtime generally calculated at a rate of time and a half and double for work done on Sundays and public holidays.

The law provides for a minimum working age of 14, and this provision was generally observed. Compulsory primary and secondary education policies reinforced minimum age requirements. The Labor Department had a small cadre of labor inspectors who conducted spot investigations of enterprises and checked records to verify compliance with the law. These inspectors may take legal action against an employer who is found to employ underage workers.

The government has added hazardous work legislation to protect workers, particularly in the agriculture sector. The Factories Act provides general health and safety guidance to Labor Ministry inspectors. An Occupational Safety and Health Bill was introduced in 2016. The Labor Commissioner settles disputes between employer and employees over safety conditions. Workers have the right to report unsafe work environments without jeopardizing employment, and inspectors must then investigate such claims.

Commitments to Eliminate the Worst Forms of Child Labor: The U.S. Department of Labor's 2016 Findings on the Worst Forms of Child Labor reports that Saint Vincent and the Grenadines made a moderate advancement in efforts to eliminate the worst forms of child labor. The Government committed resources to reducing poverty among children and to eliminating trafficking of children. There was some evidence of children performing dangerous tasks in domestic work and begging, and of commercial sexual exploitation of children. The law sets the minimum working age at 14. Compulsory education ends at age 16. The law does not place any restrictions on the number of hours children under 18 may work, and there are no prohibitions against those under 18 working in hazardous industries or environments. Saint Vincent and the Grenadines has ratified all key international child labor conventions, but the minimum age for hazardous work does not meet international standards.

Counter-narcotics Cooperation: The President has not identified St. Vincent and the Grenadines as a major drug transit or major illicit drug producing country under the provisions of the Foreign Relations Authorization Act. Drug production and drug transit continue to be concerns, given limited law enforcement resources to patrol the crops and borders of this 32-island nation. In addition, St. Vincent and the Grenadines remains vulnerable to money laundering and other financial crimes as a result of drug trafficking and its offshore financial sector. This set of islands remains a small but active offshore financial center with a relatively large number of international business companies. U.S. currency is often smuggled into the country via couriers, go-fast vessels, and yachts.

Implementation of the Inter-American Convention against Corruption (IACAC): St. Vincent and the Grenadines ratified the IACAC in 2001.

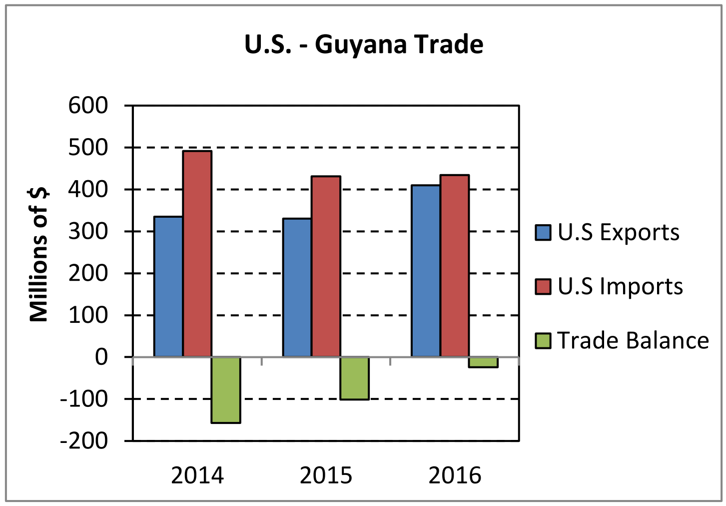
Transparency in Government Procurement: Like other OECS Members, the government procurement policies of St. Vincent and the Grenadines are generally open and transparent, and the United States is not aware of any non-competitive bidding procedures. St. Vincent and the Grenadines participates in the development of the Framework for Regional Integration of Public Procurement, which makes provisions for the use of Standard Bidding Documents and Standard Operating Procedures within the Caribbean Community. St. Vincent and the Grenadines is not a signatory of the WTO Agreement on Government Procurement.

Guyana

Population: 768,000 (2012)
GDP: $3,437,000,000 (2012)
Per Capita GDP: $4,474.77 (2012)

Department of Commerce 2016
Trade Statistics

U.S Exports	$410,045,107
U.S Imports	$434,174,068
Trade Balance	$-24,128,961



Economic Review: Guyana's economy grew at a rate of 3.3 percent in 2016. The International Monetary Fund (IMF) projected an expected 3.5 percent growth rate for 2017. The economy largely depended on the exports of some primary commodities, including sugar, gold, bauxite, shrimp, timber, and rice.

The Government of Guyana publicly encouraged foreign direct investment (FDI). While its track record in attracting government-to-government development assistance was strong, its long-term record in attracting private-sector investment remained poor. Foreign direct investment inflows in 2016 decreased by 48 percent. Over the past decade, the government enacted new laws or amended existing ones to encourage FDI, with mixed levels of success.

According to the Bank of Guyana, in 2016, remittances to Guyana decreased by 9.9 percent to $264.6 million. Remittances in 2015 represented 19.41 percent of Guyana's GDP (latest available data).

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Guyana has been a WTO Member since 1995 and generally demonstrates a commitment to fulfill its WTO obligations on schedule.

Protection of Intellectual Property: Guyana's Copyright Act dates to 1956, and its Trademark Act and Patents and Design Act dates to 1973. Guyana is a party to many international IP treaties, including the Berne and Paris Conventions.

Concerns were raised about intellectual property violations in Guyana, including concerns over the sale of counterfeit and pirated goods. Patent and trademark infringement continued to be common. Music, video, book, and software piracy remained a problem in Guyana. In addition, stakeholders raised concerns that local television stations, including state-owned and operated National Communication Network, pirated and rebroadcast TV satellite signals with impunity.

Provision of Internationally Recognized Worker Rights: The Guyanese Constitution guarantees labor rights of association and collective bargaining, and about one-third of the workforce belongs to unions. The law requires employers to recognize any 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 is constitutionally prohibited, and the Combatting of Trafficking in Persons Act prescribes penalties for forced labor as an element of trafficking in persons.

Both the Education Act and the Employment of Young Persons and Children Act prohibit employment of children under the age of 15, with some exceptions for employment in family businesses outside school hours. The Employment of Young Persons and Children Act establishes the minimum age of 18 for admission to any type of employment which is likely to harm the health, safety or morals of young persons. The Occupational Safety and Health Act (OSHA) sets the minimum age for employment in factories at age 18 and authorizes inspectors to remove children under age 18 from work that may harm their health.

The new National Minimum Wage Order of 2016 governs wages for regular working hours of all employees in Guyana and took effect January 1, 2017. The order defines wages for hourly, daily, weekly, and monthly workers as no less than GYD 255 ($1.20) per hour; GYD 2,040 ($10) per day; GYD 10,200 ($49) per week; or, GYD 44,200 ($214) per month. Under the new law, the government has defined a normal work week as 40 hours distributed over no more than five days per week. Overtime work must be paid according to rates set in the Labor Act of 1978, or according to any collective bargaining agreement in force where workers are unionized. If any employer is found guilty of paying workers less than the stipulated amounts, the employer will be fined. Public sector workers are covered under separate legislation and enjoy a minimum wage of USD $260 per month.

Commitments to Eliminate the Worst Forms of Child Labor: The Department of Labor 2016 Findings on the Worst Forms of Child Labor reports that Guyana made moderate advancements in eliminating the worst forms of child labor. Guyana finalized its 2017-2018 National Action Plan on Combating Trafficking in Persons and began developing a National Action Plan and Policy on Child Labor. Guyana has ratified all key international conventions concerning child labor.

Guyana’s laws prohibiting child labor and trafficking in persons are in need of improvement. Guyanese law does not sufficiently prohibit all commercial sexual exploitation of children as laws related to pornography and pornographic performances do not prohibit the use, procuring, and offering of a child for each of these purposes. Law enforcement agencies have insufficient funding and capacity to enforce laws related to child labor, including its worst forms. Moreover, the Government does not have a comprehensive policy to combat child labor or targeted social programs to fully address the extent of the problem.

Children in Guyana engage in the worst forms of child labor, including in mining and commercial sexual exploitation, sometimes as a result of human trafficking. Children also engage in farming, fishing, and street work, including vending and begging. The 2014 Multiple Indicator Cluster Survey indicated that children living in Guyana's interior are more likely to be engaged in child labor than other children, with 37 percent of children ages 5 to 17 living in the interior engaged in child labor. The survey also indicated that 41 percent of children living in an Amerindian household engage in child labor, with 34 percent of these children engaged in hazardous work.

Counter-narcotics Cooperation: The President did not identify Guyana as a major drug transit or major illicit drug producing country for fiscal year 2017. Guyana has shown strong interest in furthering collaboration with the United States under the Caribbean Basin Security Initiative. Guyana has legislation in place that could enable a more effective response to drug trafficking, and has a drug enforcement presence at its international airports and post offices.

Guyana's location made it a "safe haven" for drug traffickers due to its extensive rainforest and under-monitored hinterland regions. Cocaine, while being trafficked, was often concealed in legitimate commodities and smuggled through commercial and private air transport, maritime vessels, air transport, human couriers, or various postal methods. The influence of narcotics trafficking was evident in the country's political and criminal justice systems. Drug traffickers were attracted by the country's poorly monitored ports, remote airstrips, intricate river networks, porous land borders, corruption, and weak security sector capacity.

Implementation of the Inter-American Convention against Corruption (IACAC): Guyana ratified the IACAC in 2000 and the UN Convention against Corruption in 2008. Bribery is established as a criminal offense under Guyanese law. The government passed legislation in 1997 that requires public officials to disclose their assets to an Integrity Commission prior to assuming office. However, the Integrity Commission has never been constituted and remains inoperative. Compliance with the legislation therefore has been uneven.

Transparency in Government Procurement: The Procurement Act of 2003 provides for the establishment of a National Procurement and Tender Administration Board, appointed by the Minister of Finance. Widespread concerns persist, with rampant allegations of cronyism and nepotism. The Auditor General notes continuous disregard for the procedures, rules, and the laws that govern public procurement systems. The Constitution of Guyana provides for the establishment of a Public Procurement Commission to provide oversight to government procurement of goods and services and the execution of works, but no agreement has been reached on the nomination of the commission's members.

Nationalization/Expropriation: The United States has not identified any evidence of discrimination in the application of expropriation laws against U.S. investments, companies, or representatives.

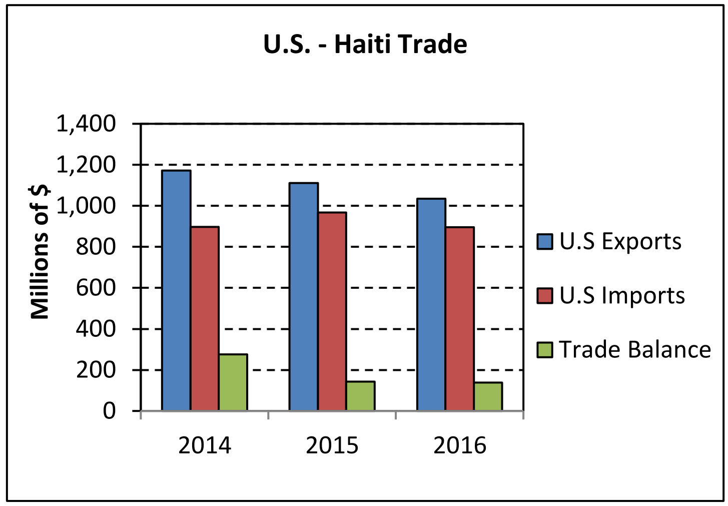
Extradition: Guyana is covered under an extradition treaty from 1931 between the U.S. and Great Britain.

Haiti

Population:	10,848,000 (2016)
GDP:	$8,232,000,000 (2016)
Per Capita GDP:	$758.828 (2016)

Department of Commerce 2016 Trade Statistics

U.S Exports	$1,034,466,339
U.S Imports	$895,483,245
Trade Balance	$138,938,094



Economic Review: In 2016, economic growth remained low at 1.4 percent. The Government of Haiti predicted 3.9 percent growth in fiscal year 2017-2018. In 2016, Haiti's budget deficit was 1.2 percent of GDP. Much of the deficit was attributed to the poor performance of Electricity of Haiti (EDH), the state-owned public utility company. External public debt increased significantly from 9 percent of GDP in 2011 to 25 percent of GDP in 2016. Most of this debt was the result of concessional financing from Venezuela through PetroCaribe.

Remittances grew by more than 7 percent in 2016 to $2.358 billion. Haitian exports were down by 7 percent in 2016 from 2015. Apparel exports to the United States account for 90 percent of Haitian exports. Haiti is eligible for duty-free entry of textiles pursuant to CBTPA, the HOPE Act, HOPE II, and the HELP Act. The preferences under these acts are set to expire in 2025. According to the Department of Commerce's Office of Textiles and Apparel, total U.S. apparel imports from Haiti decreased by 5.2 percent in 2016, totaling $848 million.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Haiti has been a member of the WTO since 1996. Haiti has a relatively open trade regime and has committed to fulfilling its WTO obligations. In March 2017, Haiti notified WTO Members of its intention to modify its tariff schedule to conform to the CARICOM external tariff. The United States and other countries are in discussions with Haiti over the proposed changes.

Protection of Intellectual Property: Haiti's most significant laws governing intellectual property protection date from the early-to mid-20th century. Limited manufacturing capacity, lack of disposable income, and paucity of tourism result in a limited amount of commercial piracy. Weak judicial institutions contribute to poor enforcement of existing laws and the erosion of protections offered by current laws.

Provision of Internationally Recognized Worker Rights: Haiti has ratified all eight of the ILO core labor conventions. In practice, Haiti faces challenges in enforcing labor laws.

Effective August 1, 2017, Haiti increased the daily minimum wage for salaried workers that classify as “Segment A” from Haitian Gourdes (HTG) 340 (U.S. $5.48) to HTG400 (U.S. $6.45) for an eight-hour workday. The minimum wage for companies in sectors pertaining to “Segment B,” which includes many service sectors, is HTG350 ($5.65). For companies in sectors pertaining to “Segment C,” which includes tourism and agriculture, the minimum wage is HTG290 (approximately $4.68). Domestic workers must earn a minimum wage of HTG200 (approximately $3.23). The minimum wage for Segment F, consisting of assembly industries and industries geared towards export, is HTG350 (US $5.65).

Haiti must maintain certain requirements related to labor protections to receive benefits under the HOPE II program outlined in Chapter 1. On October 16, 2009, the President 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 monitor conditions and provide technical assistance in Haiti’s garment factories and issue public reports on compliance with national laws and international standards.

The ILO issued its fourteenth biannual “Better Work Haiti” report in April 2017. The report covered 25 Haitian factories for the period of April 2016 to March 2017. It noted highest noncompliance rates in the areas of occupational safety and health, compensation, and working hours. The report also noted some non-compliance in the areas of freedom of association and collective bargaining, gender discrimination, and contracts and human resources. The majority of participant Haitian apparel factories now have union presence.

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 seek to assist such producers in coming into compliance with core labor standards and related Haitian laws. The President has delegated to the Secretary of Labor, in consultation with the USTR, his authority to identify any such producers and provide remediation assistance to them. For the two-year period ending in December 2015, DOL and USTR did not identify any producers in Haiti as noncompliant. Since the last report, in June 2017, DOL has continued to provide compliance assistance to at-risk factories.

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: According to the Department of Labor’s 2016 Findings on the Worst Forms of Child Labor, children in Haiti perform dangerous tasks in agriculture and domestic work. Children are also trafficked both internally and to the Dominican Republic. Some of these children are reunited with relatives in the Dominican Republic, while others engage in commercial sexual exploitation, domestic work, agriculture, street vending, and begging. Haiti lacks a minimum age for domestic work; the Government has not approved the National Action Plan to Combat Child Labor that was drafted in 2014; and limited resources for the systematic enforcement of child labor laws impede government efforts to protect children from the worst forms of child labor. In addition, social programs to combat child labor are insufficient to adequately address the extent of the problem. In 2015, the DOL approved the implementation of a $9.9 million project to reduce child labor and improve labor rights and working conditions in agriculture in Haiti. In 2016, the Government obtained its first three convictions for child trafficking under the 2014 Anti-Trafficking in Persons Law and established an emergency working group to assess human trafficking risks due to 2016 Hurricane Matthew.

Counter-narcotics Cooperation: In 2017, the President identified Haiti as a major drug transit or major illicit drug producing country under the provision of the Foreign Relations Authorization Act. Haiti is not, however, designated as having "failed demonstrably" to make substantial efforts during the prior 12 months to fulfill its obligations under international counter-narcotics agreements and conventions. Haiti's inclusion on this list reflects the ongoing challenge it faces in combating narcotics traffic. The governments of the United States and Haiti continue close collaboration on counter-narcotics and citizen security.

The United States through the Department of State's Bureau of International Narcotics and Law Enforcement Affairs (INL) is focused on building the capacity of the Haitian National Police (HNP) in anticipation of the eventual withdrawal of the United Nations Mission for Justice Support in Haiti (MINUJUSTH). INL programs provide trainings, equipment, technical assistance, and infrastructure improvements in an effort to improve the security environment of Haiti and to support the Haitian Government's five-year Police Development Plan.

INL supports the deployment of HNP counter-narcotics unit (BLTS) officers to strategic points throughout the country, and provides technical assistance and equipment to further develop BLTS's capability to effectively conduct and track operations and investigations. INL supports canine units in Cap-Haïtien and Port-au-Prince with plans to expand operations to Les Cayes; provides maintenance for two INL purchased Boston Whaler boats; and funds training and assistance for joint counter-narcotics operations conducted by the Haitian Coast Guard (HCG) and BLTS. The BLTS and HGC have carried out several successful operations yielding drug and cash asset seizures in cooperation with the U.S. Department of Justice Drug Enforcement Administration and the U.S. Coast Guard but has not impounded significant amounts, and the government continues to be unable to secure its borders adequately to cut the flow of illegal drugs.

Implementation of the Inter-American Convention against Corruption (IACAC): Despite being a party to the IACAC since 2002, significant corruption is prevalent throughout Haiti and remains an ongoing challenge to economic growth. Haiti is one of the most corrupt countries in the world, according to Transparency International's Corruption Perception Index for 2014, ranking 161 out of 174 countries.

Transparency in Government Procurement: Haiti is not a signatory to the WTO Agreement on Government Procurement. During the reporting period, both USAID and the U.S. Department of the Treasury supported programs to increase the effectiveness and transparency of public sector financial management systems. In October 2017, the Government of Haiti developed on a series of draft laws on public procurement. However, the draft laws have not yet been submitted to the parliament. The National Commission for Public Procurement (CNMP) is also considering the establishment of procurement units in the ministries, but the Commission is hindered by the lack of resources, planning and legal framework.

Nationalization/Expropriation: There have been no reports of nationalization or expropriation of property of U.S. citizens.

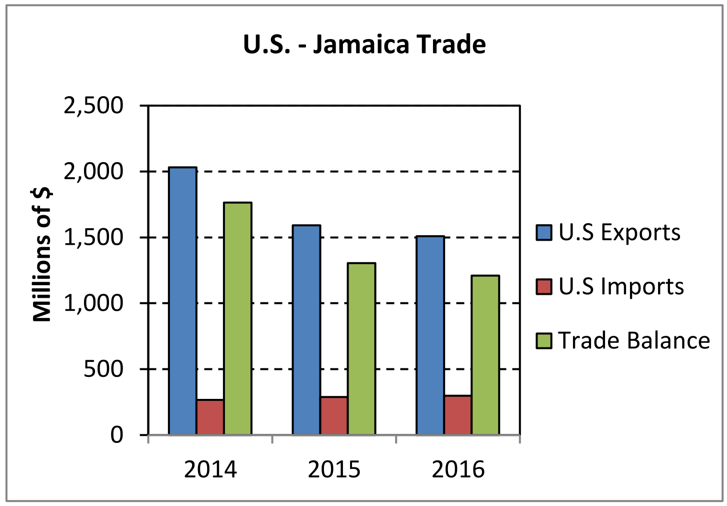
Extradition: The United States and Haiti signed an extradition treaty that entered into force in 1905. Although the Haitian Constitution prohibits the extradition of its nationals, the Government of Haiti has willingly surrendered Haitians and other nationals under indictment in the United States to U.S. law enforcement agencies.

Jamaica

*Population***:** 2,829,000 (2015)
GDP: $13,959,000,000 (2015)
Per Capita GDP: $4,933.80 (2015)

Department of Commerce 2016 Trade Statistics

U.S Exports	$1,508,370,112
U.S Imports	$298,580,794
Trade Balance	$1,209,789,318



Economic Review: The Jamaican economy is heavily dependent on services, which account for more than 70 percent of GDP. The country continues to derive most of its foreign exchange from tourism, remittances, and bauxite/alumina exports. Earnings from remittances and tourism each account for about 15 percent of GDP, while bauxite/alumina exports have declined to less than 5 percent of GDP.

Jamaica's economy has grown on average by less than 1 percent a year for the last three decades, and many impediments remain to growth. Jamaica has, however, made steady progress in reducing its debt-to-GDP ratio from a high of almost 150 percent in 2012 to about 115 percent, in close collaboration with the International Monetary Fund. The existing IMF Stand-By Arrangement requires Jamaica to produce an annual primary surplus of 7 percent, in an attempt to reduce its debt burden to 60 percent of GDP by 2025.

The country has lately seen signs of increased economic growth, with growth reaching 1.6 percent in 2016. The government now faces the difficult prospect of achieving fiscal discipline to maintain a downward debt trajectory payments while increasing social spending and attacking a serious crime problem. High unemployment exacerbates the crime problem, including gang violence, which is fueled by lottery scamming and the drug trade.

The Jamaican Government has prioritized legislative and economic reforms designed to support investment. In August 2015, Jamaica launched the National Export Strategy Phase II for the 2015 to 2019 period, designed to implement an expanded and diversified export base. Jamaica hosted Expo Jamaica 2016, a biannual event, to promote Jamaican products for international buyers, while the first ever Jamaica International Exhibition in June 2017 targeted 70 buyers from 11 countries interested in investing in Jamaica.

Over the years, Jamaica made significant improvements in its business environment, resulting in top ten improver status in the World Bank's *Doing Business* reports in 2015 and 2016, though the country fell three places in 2017. The country was recognized in 2017 by the Financial Times as the top performing island globally in "business friendliness" and among the top ten in “connectivity,” “human capital,” and “lifestyle.” In 2016, the Government of Jamaica created a public-private Economic Growth Council, which is charged with the ambitious goal of generating five percent annual GDP growth by 2021. Barriers to economic development include high energy costs, excessive bureaucracy, low labor productivity, crime, and corruption.

Commitment to Undertake WTO Obligations and Participate in Negotiations toward the FTAA or Another FTA: Jamaica has been a WTO Member since 1995 and has generally demonstrated its commitment to fulfill its WTO obligations. Jamaica ratified the Trade Facilitation Agreement on January 19, 2016. Jamaica underwent a Trade Policy Review at the WTO in September, 2017.

Protection of Intellectual Property: Jamaica has been on the Special 301 Watch List since 1998 primarily due to concerns about Jamaica’s failure to provide adequate and effective protection for patents, including the failure to pass an updated Patent and Design Act. In the area of copyright protection, Jamaica enacted a new copyright law in 2015 that aimed to implement the WIPO Copyright Treaty and WIPO Performances and Phonograms Treaty. Further, Jamaica has continued its effort to ensure that its regulatory broadcasting agency is monitoring compliance with broadcast licensing requirements. In 2015, the Broadcasting Commission of Jamaica enforced a directive to cable licensees to cease the illegal transmission of 19 channels, serving as an example to encourage other Caribbean countries to take similar actions. The Commission in 2016 continued to enforce broadcasting rights, which resulted in improvements in compliance amongst the country’s top providers. The Commission made efforts to facilitate licensing of content and use its recommendation of financial sanctions as an enforcement toolkit; however, dozens of local operators continue to illegally broadcast content.

Provision of Internationally Recognized Worker Rights: Jamaica has incorporated both international norms and domestic policy into its worker rights laws and has ratified all eight of the ILO core labor conventions. Worker rights in Jamaica are defined and protected under the Labor Relations and Industrial Disputes Act, with the Industrial Disputes Tribunal (IDT) hearing collective bargaining cases. Workers generally enjoy full rights of association, as well as the right to organize and bargain collectively. The Child Care and Protection Act establishes the minimum age for employment at 15, but Jamaica has not adopted the Occupational Safety and Health Act that would introduce a comprehensive list of prohibition on hazardous work for children. The Child Care and Protection Act also allows children ages 13 to 14 to engage in light work; however, the list of occupations and hours considered light work has not been finalized by the government.

Jamaica has an estimated labor force of approximately 1.3 million of which about 20 percent are unionized. Worker rights in Jamaica are defined and protected under the Labor Relations and Industrial Disputes Act. The law prohibits all forms of forced or compulsory labor. The government sets occupational safety and health standards, which are current and appropriate for the main industries in the country. There is a standard 40-hour workweek, with at least one day of rest per week mandated, paid annual holidays, and overtime compensation for work beyond 40 hours. The minimum wage, which the government reviews each year, was $6,200 JMD ($48) per week. According to the 2015 Survey of Living Conditions, the poverty line estimate was

$132,506 JMD ($1,130) compared to the annual minimum wage of $291,200 JMD ($2,480). While these laws exist, they are not always effectively enforced.

Commitments to Eliminate the Worst Forms of Child Labor: Jamaica has ratified all key international conventions concerning child labor, including its elimination of the worst forms. In 2016, the Government expanded the Program for Advancement through Health and Education (PATH), which provided assistance to nearly 250,000 children. It also introduced a transportation allowance grant to subsidize school transportation costs for children enrolled in PATH and collaborated with the Jamaica Employer's Federation to host a seminar on responsible business practices to end child labor in supply chains. Although the law permits children between ages 13 and 15 to engage in "light work," it has yet to define light work activities, except for the general guidance that such activities should not disrupt a child's education or be harmful to their health. While Jamaica prohibits forced labor, child trafficking, and commercial sexual exploitation of children, it does not prohibit the use of children in illicit activities, such as the use, procurement, and offering of children for drug trafficking and production. In addition, programs to combat child labor are insufficient to adequately address the extent of the child labor problem. Children in Jamaica perform dangerous tasks in street work. Children also engage in the worst forms of child labor, including in commercial sexual exploitation.

Counter-narcotics Cooperation: Jamaica was identified as a Major Drug Transit or Major Illicit Drug Producing Country for fiscal year 2017, but it is not designated as having "failed demonstrably" to make substantial efforts during the prior 12 months to fulfill its obligations under international counter-narcotics agreements and conventions. Jamaica continues to be a major transit point for cocaine, particularly given recent increases in Colombian cocaine production, and Jamaica remains the largest Caribbean producer and exporter of marijuana. U.S. counter-narcotics projects in Jamaica are designed to increase the capacity of its law enforcement agencies in order to reduce the trafficking of illicit narcotics through Jamaica. The United States and Jamaica are bilateral parties to both a mutual legal assistance treaty and an extradition treaty.

Implementation of the Inter-American Convention against Corruption (IACAC): Jamaica ratified the IACAC in March 2001 and became a party to the UN Convention against Corruption in March 2008. Jamaica's Corruption Prevention Commission (CPC) requires the filing and examination of statutory declarations of public sector workers and investigates complaints regarding corruption where necessary. To date, there has been little enforcement, as the CPC lacks the capacity to enforce the filing of declarations. The Integrity Commission Act 2017 was passed October 23, 2017; it provides for the creation of a single anti-corruption agency, by combining the CPC with the Office of the Contractor General and the Integrity Commission, with investigative, oversight, and prosecutorial functions.

Transparency in Government Procurement: The Government of Jamaica has comprehensive public procurement procedures, which are overseen by the Contractor General and most recently updated in 2015. Public procurement is generally conducted through open tenders or direct advertising, or by invitation to registered suppliers. U.S. firms are eligible to bid. Jamaica is not a party to the WTO Agreement on Government Procurement.

Nationalization/Expropriation: There are no reports of nationalization or expropriation of property of U.S. citizens in Jamaica. Jamaica has a bilateral investment treaty with the United States that entered into force in 1997. 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.

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.

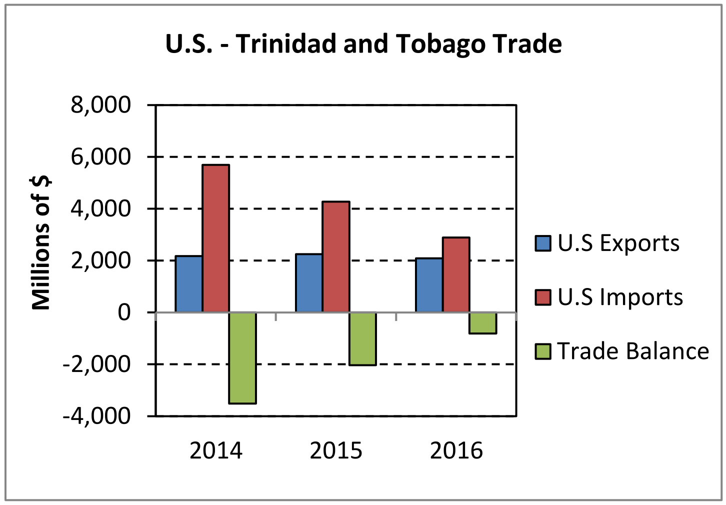
Market Access/WTO Rules: Jamaica maintains import restrictions on poultry from Tennessee and Alabama and from certain counties in Georgia, Idaho, Kentucky and Wisconsin due to previous U.S. detections of highly pathogenic avian influenza (HPAI). These restrictions have remained in place despite World Organization for Animal Health acknowledgement of the United States as HPAI-free after the effective eradication of the virus in 2016 and 2017. In an effort to protect its domestic pork industry, Jamaica also maintains unscientific barriers to U.S. pork while granting market access to like products.

Trinidad and Tobago

Population:	1,367,000 (2016)
GDP:	$21,125,000,000 (2016)
Per Capita GDP:	$15,458.76 (2016)

Department of Commerce 2016 Trade Statistics

U.S Exports	$2,085,897,337
U.S Imports	$2,891,146,680
Trade Balance	$-805,249,343



Economic Review: Trinidad and Tobago attracts considerable FDI from international businesses in the energy sector and has one of the highest per capita incomes in Latin America. The United States is Trinidad and Tobago's largest trading partner, accounting for 33 percent of its total imports and taking 44 percent of its exports. CBERA preferences have been critical to the success of certain exports, such as methanol, ethanol, and some manufactured goods.

Energy exploration and production drive the economy of Trinidad and Tobago. Oil and gas account for about 40 percent of GDP and 80 percent of exports, but only 5 percent of employment. However, production decreased in 2017 for the third consecutive year. Both downstream industry and the LNG exporter (Atlantic) are facing gas shortages, but the government has been working to increase production by opening bid rounds and providing fiscal incentives for investments in on-shore and deep water acreage to boost oil reserves and production. Declines in oil and gas prices have reduced government revenues, challenging the government's ability to maintain public spending, which has increased over the past several years. Diversifying Trinidad and Tobago's economy is an important medium-term objective.

Trinidad and Tobago does not provide export subsidies, nor does it impose trade-distorting export performance or local content requirements. Furthermore, the bilateral investment treaty between the United States and Trinidad and Tobago prohibits performance requirements as a condition for investment.

Concerns have been raised about Trinidad and Tobago's macroeconomic policy. Although Trinidad and Tobago has foreign currency reserves that exceed the country's annual budget, U.S. companies and Trinidad and Tobago-based chambers of commerce complain of significant delays in accessing foreign exchange. This has hurt the credit terms of Trinidad and Tobago's businesses and has forced U.S. firms to consider limiting sales into the market.

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 the regional economic entity CARICOM.

Protection of Intellectual Property: Lack of resources has stagnated intellectual property protection enforcement efforts. Though Trinidad and Tobago has an IP legislative framework, enforcement of intellectual property rights protection should be strengthened. Accordingly, the United States is currently working with the Trinidad and Tobago police force and Intellectual Property Office to assist in the development and training of an interagency intellectual property task force. Further, the Trinidad and Tobago Telecommunications Authority (TATT) has made efforts to combat the distribution of unlicensed content by cable companies.

Trinidad and Tobago does not track and report on the seizures of counterfeit goods. Private rights holders seldom investigate or pursue claims in Trinidad and Tobago due to the country's small size and slow courts system.

Provision of Internationally Recognized Worker Rights: Trinidad and Tobago has incorporated both international norms into its worker rights laws and has ratified all eight of the ILO core labor conventions. 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. 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. Currently, an estimated 20 percent of the workforce is organized in approximately 25 active unions. Most unions are independent of government or political party control, although the All Trinidad Sugar and General Workers' Union has historically been allied with the United National Congress (UNC) political party

The law allows unions to conduct their activities without interference, to participate in collective bargaining, and to strike. In practice, the Government of Trinidad and Tobago ensures these rights are protected. By law, "essential services" employees, such as police and teachers, do not have the right to strike.

There were several labor protests throughout 2017 concerning job losses and calling for wage increases.

The Trinidad and Tobago Constitution prohibits forced labor, as does the 2011 Trafficking in Persons Act. Wages and salaries vary considerably between industries in Trinidad and Tobago. The Minimum Wages Act of 2010 empowers the Minister of Labor to make minimum wage orders in relation to specific trades. The minimum hourly wage (exclusive of gratuities, service charges and commissions) was raised recently from TT$12.50 to TT$15.00 (approximately $1.95 to $2.34), effective January 1, 2015. Industry-specific orders govern relations to employees in the restaurant, catering, petrol station, security, shop, and household assistant trades. Under the Minimum Wages Act and Minimum Wages Order, the normal working hours exclusive of meals and rest breaks are eight hours per day or forty hours per week. Employees who are required to work beyond the normal hours are entitled to overtime, calculated in accordance with a formula outlined in the Order. The Ministry of Labor and Small and Micro Enterprise Development is responsible for enforcing laws related to acceptable conditions of work. The Occupational Safety and Health Agency enforces occupational health and safety standards. The government sets occupational health and safety regulations that apply to all workers, regardless of citizenship.

Foreign laborers brought into the country are generally protected by local labor laws through a stipulation in their labor contract.

The Children Act of May 18, 2015 prohibits child labor. Exploitation of child labor in Trinidad and Tobago is not a widespread problem. The Miscellaneous Provisions (Minimum Age for Admission to Employment) Act, set the minimum age for employment at 16 years of age. However, current legislation does not establish a clear minimum age for hazardous work. The Government has not developed legislation on the prohibition of hazardous occupations and activities for children. The Ministry of Labor and Small and Micro Enterprise Development, is responsible for enforcing child labor laws.

The U.S. Embassy in Trinidad and Tobago continues to receive anecdotal reports of forced labor in sectors such as domestic work and fishing, but the International Labor Organization received no formal reports of forced labor during the year.

Commitments to Eliminate the Worst Forms of Child Labor: Although the problem does not appear to be widespread, there is evidence that children are engaged in child labor, including in agriculture, and the worst forms of child labor, including in commercial sexual exploitation, sometimes as a result of human trafficking, though there were no confirmed cases in 2016.

Trinidad and Tobago has recently passed several pieces of legislation and is in the process of implementing its commitments to eliminate the worst forms of child labor. The Children's Authority of Trinidad and Tobago, which is mandated to protect children's rights by the Children's Authority Act of 2000 and the Children's Authority (Amendment) Act of 2008, became fully operational in early 2015. In January 2013, the Trinidad parliament implemented the Trafficking in Persons Act, which criminalizes human trafficking. Provisions of that law address forms of exploitative child labor. However, the Government has not ratified the UN Optional Protocol to the Convention on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography.

Counter-narcotics Cooperation: While corruption and gaps in legislative and organizational implementation limit counternarcotic efforts, Trinidad and Tobago continues to adhere to its obligations under international counternarcotic agreements and to take the measures set forth in U.S. law. The Government of Trinidad and Tobago regularly interfaces with local, regional, and international organizations, demonstrating commitment to drug control through bilateral cooperation and intelligence sharing with countries of origin, transit, and destination.

The government continues to work with the Caribbean Financial Action Task Force (CFATF) to address the full range of anti-money laundering and to combat the financing of terrorism. In 2014, Trinidad and Tobago improved its criminal asset forfeiture mechanism, allowing the prosecution of Anti-Money Laundering/Combatting the Financing of Terrorism crimes as standalone offences. This change superseded the previous requirement of first proving the criminal origins of the proceeds.

Implementation of the Inter-American Convention against Corruption (IACAC): Trinidad and Tobago signed and ratified the IACAC in 1998. Bribes are not regularly paid to facilitate routine operations; however, reports of institutional corruption by law enforcement and large businesses are common in public fora and private meetings with government, the private sector, civil society, and the press. In 2000, the government established an Integrity Commission to detect corrupt or dishonest practices and to enforce compliance with the Integrity and Public Life Act (IPLA) 2000. While the commission has undertaken numerous investigations, it seldom refers cases to law enforcement authorities. The Integrity Commission annually lists in the newspapers public officials who fail to publicly list their assets, as is required by the Integrity in Public Life Act. Prosecution of those officials who refuse to comply, however, has been very limited.

Transparency in Government Procurement: Lack of transparency in government procurement is a concern, although U.S. companies have been able to secure government service contracts in recent years. U.S. firms have identified non-transparent procedures as an obstacle, especially in government procurement. Public tenders are often open for only a few days, or contracts are awarded outside the tender process. Procurement legislation that would address their concerns has passed Parliament during the reporting period but is not yet in force. The government is not a party to the WTO Government Procurement Agreement. There are over 100 state owned enterprises, each with varying procedures and requirements for the tendering process.

Nationalization/Expropriation: There are no known cases of Trinidad and Tobago nationalizing or expropriating the property 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.

Market Access/WTO Rules: The United States and Trinidad and Tobago concluded a bilateral investment treaty in 1994. U.S. consumer and manufacturing goods are readily available on the local market.

Export Subsidies: Trinidad and Tobago does not provide export subsidies, nor does it impose trade-distorting export performance or local content requirements.

V. Summary of Public Comments

Two organizations and five governments 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 July 11, 2017. The full text of these submissions are available for review at the *Regulations.gov* website, under docket number USTR-2017-0007.

American Apparel & Footwear Association (AAFA)

The AAFA strongly supports the CBTPA, which it states is vitally important for U.S. textile exports and jobs. AAFA members are significant users of the CBERA and CBTPA since the program began. The AAFA is concerned that the Haiti trade preference programs expire in 2025 and urges that the program be extended. The AAFA advocates for a longer-term extension of the program to ensure uninterrupted export opportunities and greater certainty for the U.S. textile makers.

West Indies Rum & Spirits Producers' Association Inc. (WIRSPA)

The WIRSPA argues for a product-specific rule of origin for rum. It wants to see a change in the CBERA rules of origin for rum which would recognize a link to the place of production, requiring origin to be conferred solely by the place of fermentation and distillation for products of sugar cane. The WIRSPA argues that origin cannot be conferred through manufacturing operations that occur post-distillation. WIRPSA says rum is a product historically and culturally linked to its place of production.

The Republic of Trinidad and Tobago

Trinidad and Tobago states that the CBERA continues to provide important benefits to the country even though the value of goods entering the United States from Trinidad and Tobago has been declining. The United States remains Trinidad and Tobago's largest trading partner for both exports and imports. Trinidad and Tobago believes that through the CBERA, U.S. cooperation, and its own initiatives, the country is making strides towards developed country status.

The government reports that Trinidad and Tobago has addressed or engaged on the issues mentioned in the last report to Congress, including intellectual property protection, counter-narcotics cooperation, and economic diversification.

Government of Jamaica

The Government of Jamaica reported that the CBERA/CBTPA programs have made a valuable contribution to expanding trade and investment between the U.S. and Jamaica buy promoting growth and productive capacity in the country and increasing investor confidence, among other benefits. Jamaica notes that because of the CBERA/CBTPA programs, it has placed protection of intellectual property rights at the top of its priority list for the current legislative calendar. The United States has been Jamaica's primary trading partner since the 1960s, it says, accounting for

40 percent of its merchandise trade in 2016. Jamaica reported that U.S. imports were valued at $1.844 billion in 2016, and Jamaica has a trade deficit with the U.S. of $1.35 billion.

Government of Guyana

The Government of Guyana asserts that it has made tremendous efforts to improve the various areas with unfavorable findings in the 2015 report. It states that the CBI is an important aspect of its trade policy and a most valuable trading arrangement.

Government of Guyana discussed various initiatives, including a change to the minimum wage, increased counter-narcotics cooperation with the United States and other international partners, and improved transparency in government procurement.

Antigua and Barbuda

Antigua and Barbuda emphasizes the importance of the CBERA to the region and to the United States. The Antiguan government is concerned by threats from U.S. banks of withdrawal of correspondent banking relations from Caribbean banks. It urges Congress to consider the implications of the loss of banking relations for U.S. trade in a region where the United States enjoys a perennial trade surplus.

Belize

Belize also applauds the CBERA/CBTPA arrangement as mutually beneficial and affirms its commitment to reforms to comply with WTO, regional, and CBI obligations. Belize has prioritized the protection of intellectual property rights and the encouragement of national cultural industries, which are heavily reliant on effective intellectual property rights regimes. The Government is focusing on copyright, broadcasting licensing, and updating legislation. Belize states that in early 2018, it will launch a comprehensive communication and public awareness agenda and strategy for copyright and building respect for IP. Belize states that its list of hazardous occupations that are prohibited for children is incorporated into the Child Labor Policy published in 2009.

Appendix

Appendix 1: U.S. Imports from CBI Countries by Selected Import Programs, 2014-2016 and January-August 2016 and 2017[1]

Country[2]	Import Program	2014 Thousand $	2014 % of Total	2015 Thousand $	2015 % of Total	2016 Thousand $	2016 % of Total	2016 January - August Thousand $	2016 January - August % of Total	2017 January - August Thousand $	2017 January - August % of Total
Antigua and Barbuda	CBERA	19	0.2	82	1.2	37	0.2	13	0.1	65	0.7
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	20	0.2
	Otherwise duty-free	7,685	96.7	6,304	94.7	16,238	95.4	13,155	95.0	9,014	90.3
	Dutiable imports	245	3.1	269	4.0	754	4.4	684	4.9	883	8.8
	Total	7,950	100.0	6,654	100.0	17,029	100.0	13,852	100.0	9,983	100.0
Aruba	CBERA	75	0.1	93	0.3	15	0.1	5	0.1	13	0.1
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	60,034	85.3	28,659	89.8	15,634	94.9	8,595	93.7	15,433	95.8
	Dutiable imports	10,273	14.6	3,161	9.9	827	5.0	576	6.3	669	4.2
	Total	70,382	100.0	31,913	100.0	16,475	100.0	9,177	100.0	16,116	100.0
Bahamas	CBERA	158,191	29.8	88,389	19.7	68,403	23.1	44,404	22.6	56,624	18.0
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	259,552	48.9	287,406	64.0	192,976	65.1	123,385	62.7	225,922	72.0
	Dutiable imports	113,434	21.4	73,087	16.3	35,250	11.9	28,960	14.7	31,212	9.9
	Total	531,178	100.0	448,882	100.0	296,630	100.0	196,749	100.0	313,757	100.0
Barbados	CBERA	5,295	10.6	22,570	33.9	2,254	4.6	748	2.6	2,462	7.2
	CBTPA	0	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
	Otherwise duty-free	43,785	87.5	42,946	64.5	42,178	86.1	26,578	93.8	27,658	80.5
	Dutiable imports	941	1.9	1,026	1.5	4,529	9.3	1,013	3.6	4,245	12.4
	Total	50,021	100.0	66,543	100.0	48,961	100.0	28,340	100.0	34,365	100.0
Belize	CBERA	33,306	34.3	36,881	48.9	17,136	29.1	16,902	40.5	11,884	9.7
	CBTPA	27,276	28.1	0	0.0	0	0.0	0	0.0	0	0.0
	GSP	585	0.6	5,746	7.6	4,703	8.0	3,158	7.6	11,388	9.3
	Otherwise duty-free	33,243	34.3	30,544	40.5	34,407	58.4	19,855	47.5	95,966	78.3
	Dutiable imports	2,576	2.7	2,192	2.9	2,660	4.5	1,866	4.5	3,273	2.7
	Total	96,986	100.0	75,364	100.0	58,907	100.0	41,782	100.0	122,511	100.0
	CBERA	50	0.5	9	0.1	9	0.0	9	0.1	0	0.0
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0

Appendix 1: U.S. Imports from CBI Countries by Selected Import Programs, 2014-2016 and January-August 2016 and 2017[1]

		2014		2015		2016		2016 January - August		2017 January - August	
Country[2]	Import Program	Thousand $	% of Total	Thousand $	% of Total	Thousand $	% of Total	Thousand $	% of Total	Thousand $	% of Total
British Virgin Islands	Otherwise duty-free	9,813	91.1	13,499	84.5	29,559	95.3	7,722	88.6	3,328	75.2
	Dutiable imports	905	8.4	2,461	15.4	1,450	4.7	989	11.3	1,098	24.8
	Total	10,768	100.0	15,968	100.0	31,018	100.0	8,719	100.0	4,426	100.0
Curaçao	CBERA	119	0.0	3	0.0	85	0.0	39	0.0	106	0.1
	CBTPA	5,247	1.8	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
	Otherwise duty-free	126,958	43.4	204,566	58.7	212,844	78.3	131,017	76.9	124,576	91.9
	Dutiable imports	160,151	54.8	143,896	41.3	59,012	21.7	39,368	23.1	10,930	8.1
	Total	292,475	100.0	348,465	100.0	271,942	100.0	170,424	100.0	135,613	100.0
Dominica	CBERA	66	4.4	77	4.5	22	0.8	18	0.8	28	3.4
	GSP	0	0.0	0	0.0	31	1.2	31	1.4	0	0.0
	Otherwise duty-free	1,303	87.0	1,402	83.3	2,322	86.7	1,890	85.9	699	84.9
	Dutiable imports	129	8.6	204	12.1	302	11.3	261	11.9	96	11.6
	Total	1,498	100.0	1,683	100.0	2,678	100.0	2,201	100.0	823	100.0
Grenada	CBERA	443	4.5	1,728	18.9	1,809	14.5	1,259	13.7	1,655	18.9
	GSP	0	0.0	14	0.2	15	0.1	0	0.0	21	0.2
	Otherwise duty-free	8,633	87.7	6,638	72.6	9,748	78.3	7,289	79.4	6,609	75.5
	Dutiable imports	769	7.8	764	8.4	884	7.1	635	6.9	473	5.4
	Total	9,845	100.0	9,144	100.0	12,457	100.0	9,184	100.0	8,758	100.0
Guyana	CBERA	8,177	1.7	32,964	7.6	1,158	0.3	514	0.2	451	0.2
	CBTPA	3,680	0.7	1,955	0.5	393	0.1	393	0.1	0	0.0
	GSP	74	0.0	3,810	0.9	10,885	2.5	3,709	1.2	620	0.3
	Otherwise duty-free	477,740	97.1	389,441	90.3	420,164	96.8	316,760	98.2	228,956	98.9
	Dutiable imports	2,263	0.5	3,273	0.8	1,574	0.4	1,156	0.4	1,404	0.6
	Total	491,934	100.0	431,443	100.0	434,174	100.0	322,533	100.0	231,431	100.0
Haiti	CBERA	19,221	2.1	19,948	2.1	12,817	1.4	11,328	1.8	15,116	2.4
	CBTPA	386,174	43.0	413,454	42.7	305,043	34.1	207,099	33.6	193,497	31.2
	GSP	117	0.0	347	0.0	655	0.1	359	0.1	796	0.1
	HOPE Acts[3]	451,516	50.3	497,181	51.4	537,121	60.0	368,768	59.8	378,388	61.1

Appendix 1: U.S. Imports from CBI Countries by Selected Import Programs, 2014-2016 and January-August 2016 and 2017[1]

		2014		2015		2016		2016 January - August		2017 January - August	
Country[2]	Import Program	Thousand $	% of Total	Thousand $	% of Total	Thousand $	% of Total	Thousand $	% of Total	Thousand $	% of Total
	Otherwise duty-free	32,747	3.6	32,203	3.3	34,260	3.8	25,510	4.1	23,815	3.8
	Dutiable imports	7,503	0.8	5,067	0.5	5,586	0.6	3,598	0.6	7,806	1.3
	Total	897,278	100.0	968,201	100.0	895,483	100.0	616,661	100.0	619,417	100.0
Jamaica	CBERA	71,779	26.9	81,583	28.3	74,847	25.1	48,941	25.5	44,173	20.8
	CBTPA	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	GSP	476	0.2	1,751	0.6	11,293	3.8	7,134	3.7	8,909	4.2
	Otherwise duty-free	189,345	70.9	199,193	69.2	206,244	69.1	131,737	68.6	155,613	73.1
	Dutiable imports	5,640	2.1	5,394	1.9	6,197	2.1	4,137	2.2	4,061	1.9
	Total	267,239	100.0	287,921	100.0	298,581	100.0	191,949	100.0	212,757	100.0
Montserrat	CBERA	0	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	20	2.5
	Otherwise duty-free	365	51.5	1,974	87.7	425	78.2	277	79.1	576	74.8
	Dutiable imports	344	48.5	276	12.3	119	21.8	73	20.9	175	22.7
	Total	709	100.0	2,250	100.0	544	100.0	350	100.0	771	100.0
St. Kitts and Nevis	CBERA	18,341	32.2	10,481	18.5	7,210	14.7	4,876	14.5	3,464	10.9
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	28,133	49.5	25,601	45.2	17,622	35.9	12,895	38.3	11,420	36.1
	Dutiable imports	10,400	18.3	20,611	36.4	24,215	49.4	15,889	47.2	16,787	53.0
	Total	56,875	100.0	56,693	100.0	49,047	100.0	33,661	100.0	31,671	100.0
St. Lucia	CBERA	1,162	7.5	1,301	4.6	627	4.5	389	4.9	290	1.2
	CBTPA	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	GSP	5	0.0	0	0.0	134	1.0	119	1.5	136	0.6
	Otherwise duty-free	8,407	54.0	19,800	69.4	10,602	76.6	5,031	63.7	22,644	97.0
	Dutiable imports	5,985	38.5	7,433	26.1	2,479	17.9	2,358	29.9	278	1.2
	Total	15,559	100.0	28,534	100.0	13,842	100.0	7,896	100.0	23,349	100.0
St. Vincent and the Grenadines	CBERA	182	12.9	16	0.9	45	1.5	18	1.3	53	1.3
	GSP	3	0.2	11	0.6	41	1.3	25	1.7	29	0.7
	Otherwise duty-free	1,136	80.6	1,573	89.7	2,307	75.2	921	65.1	4,034	95.0
	Dutiable imports	88	6.3	154	8.8	673	22.0	450	31.8	128	3.0

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Country[2]	Import Program	2014 Thousand $	2014 % of Total	2015 Thousand $	2015 % of Total	2016 Thousand $	2016 % of Total	2016 January - August Thousand $	2016 January - August % of Total	2017 January - August Thousand $	2017 January - August % of Total
	Total	1,409	100.0	1,754	100.0	3,066	100.0	1,414	100.0	4,245	100.0
Trinidad and Tobago	CBERA	1,067,470	18.7	681,537	15.9	292,477	10.1	207,883	10.9	283,902	12.3
	CBTPA	167,004	2.9	148,754	3.5	86,506	3.0	58,561	3.1	58,837	2.5
	GSP	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
	Otherwise duty-free	3,633,261	63.8	3,090,004	72.2	2,121,854	73.4	1,438,577	75.2	1,531,177	66.1
	Dutiable imports	826,082	14.5	359,712	8.4	390,310	13.5	208,546	10.9	441,728	19.1
	Total	5,693,818	100.0	4,280,007	100.0	2,891,147	100.0	1,913,567	100.0	2,315,644	100.0

[1] Imports for consumption, customs value.
[2] CBTPA countries currently consist of Barbados, Belize, Curaçao, Guyana, Haiti, Jamaica, St. Lucia, and Trinidad and Tobago.
[3] Estimated by USITC staff with data from the U.S. Department of Commerce (OTEXA) (accessed October 25, 2017). Data reflect all official OTEXA revisions for 2012-16 as of that date.

Source: Compiled from official statistics of the U.S. Department of Commerce (USDOC) (accessed October 11, 2017). Data reflect all official USDOC revisions for 2014–17 as of this date.