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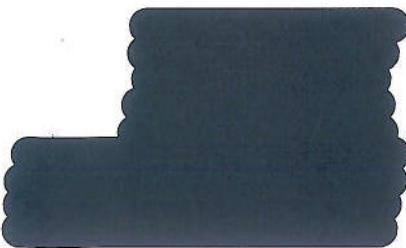
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From: Baroness Chalker

Date: 23 February 1994

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Secretary of State

VISIT TO ANGUILLA, DOMINICA AND GUYANA, 18 - 22 FEBRUARY 1994

1. I accompanied HM The Queen on the first leg of her Caribbean tour from 18 - 22 February. We spent a day in Anguilla, made a ½ hour stopover in Dominica and then had 2½ days in Guyana (which I had not previously visited).

Anguilla

2. Having signed our first Country Policy Plan (CPP) for a Dependent Territory in Anguilla in August last year, this was a welcome opportunity to assess progress. The present Government, led by Sir Emile Gumbs, has demonstrated its commitment to good government and to the new policy of partnership between HMG and the Dependent Territories. The volume of our aid is recognised and appreciated. Her Majesty visited the new (aid funded) post office and gave some profile to our part in European projects by opening an EDF funded road (now Queen Elizabeth II Avenue).

3. The only note of controversy was over the timing of the visit, ie just before the general election. Leader of the Opposition, Hubert Hughes, made play of this when The Queen addressed Parliament, implying that the timing and the decision to bestow Sir Emile Gumbs' knighthood were designed to influence the outcome of the election. These arguments were easily rebutted. Mr Hughes did his election prospects no favours.

Dominica

4. We had just over ½ hour in Melville Hall airport, long enough for Dame Eugenia Charles to follow up our meeting in London the previous week and give me a paper on the Windward Islands' banana industry. We need to turn this quickly from a description of the problem into a credible proposal for restructuring the industry. We have said that when we have such a proposal we will lift our reserve on the European Commission's proposal for assistance to the Islands.

"X"

Guyana

5. I had useful and timely discussions with Minister of Finance, Asgar Ally, and President Cheddi Jagan (at the airport after Her Majesty departed). The Guyanese face a huge challenge in getting their economy back on track, reorganising their public institutions and rebuilding the country's infrastructure. Asgar Ally was

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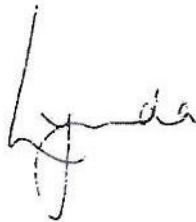
impressive and, as a former prominent banker in Jamaica, has the right background for this job. Together we signed the new ECGD Debt Rescheduling Agreement, which stimulated good publicity for the UK's role in pushing hard for debt relief and for our aid programme in general.

6. Guyana is not short of overseas aid, following the US\$320 million committed at the special donors meeting in January. The problem, of which Ally is well aware, will be training people fast enough in order to absorb this amount of aid. Ally has some bright ideas. He expressed his gratitude for the flexibility of the UK aid programme and particularly for our assistance in Public Sector Reform. This project is central to future progress. The current state of chaos in public administration is hampering the implementation of other projects. The EC delegate complained about this; and one of our own projects - to strengthen the Forestry Commission - will suffer if the Government do not sort out the ministerial responsibilities for the environment. I pressed the President hard on this issue. We also discussed environmental issues, health sector reform, education and cooperation in the anti-narcotics field.

7. I offered further help with privatisation. Ally is convinced of the benefits. But other ministers are still reluctant, particularly in the case of the sugar industry. Ally is trying to persuade others that what matters is improving the efficiency of the industry, which can only be done by an injection of private capital.

Thanks

8. Particular thanks go to David Johnson and his staff in Georgetown for setting up extra meetings for me in addition to all their work on Her Majesty's visit. I should also like to thank Mike Bawden, Head of our Development Division in the Caribbean, for his support in Guyana.



BARONESS CHALKER OF WALLASEY

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