



211

March 2014

Monthly Newsletter
INTAL

Monthly Electronic Publication

 **IDB** Inter-American Development Bank





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*Schamis, G., dir. y Ramos, A., coord. (2014). Informe MERCOSUL número 18 : Segundo semestre 2012 - Primeiro semestre 2013. Buenos Aires:

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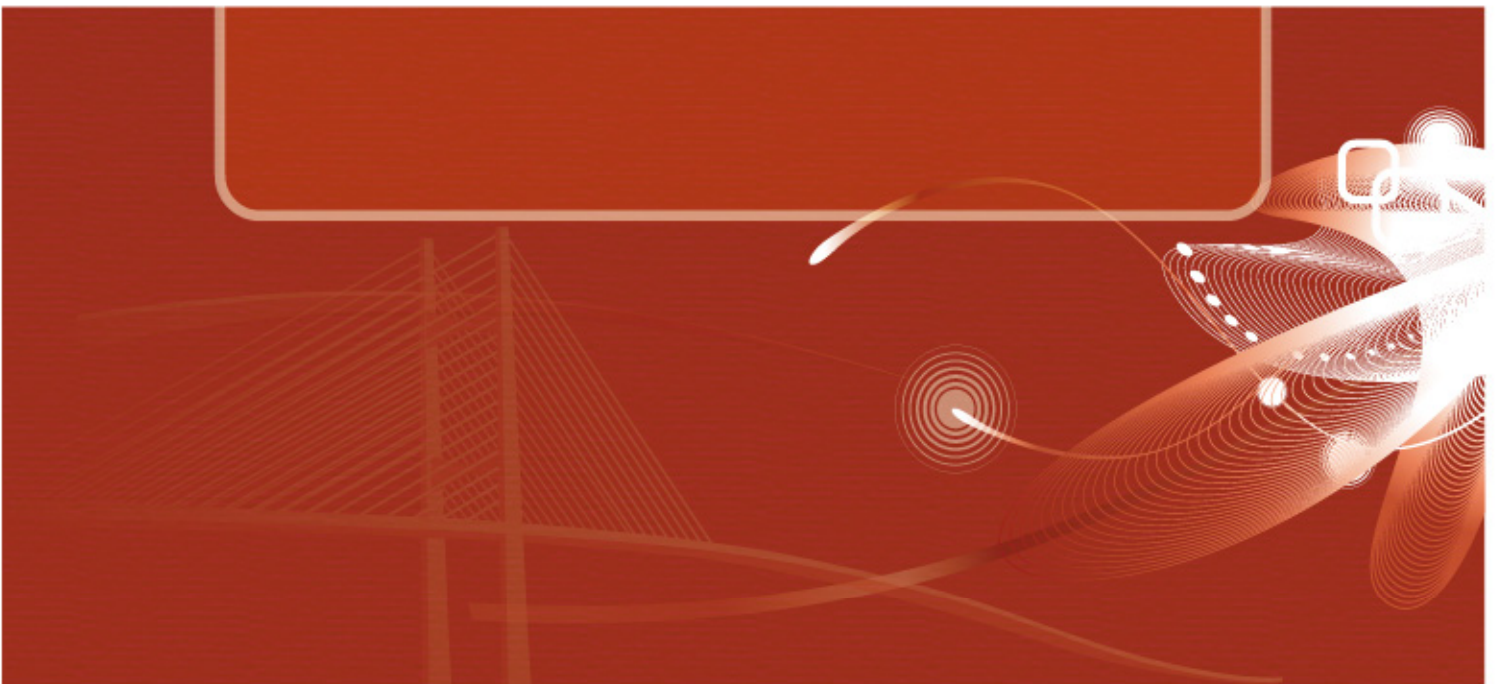
*Alleyne, D.; Hendrickson, M.; Phillips, W.; Yoshida, K.; Pantin, M. y Skerrette, N. (2013). Economic Survey of the Caribbean 2013 : Improved economic performance with reduced downside risks. Santiago de Chile: CEPAL. 48

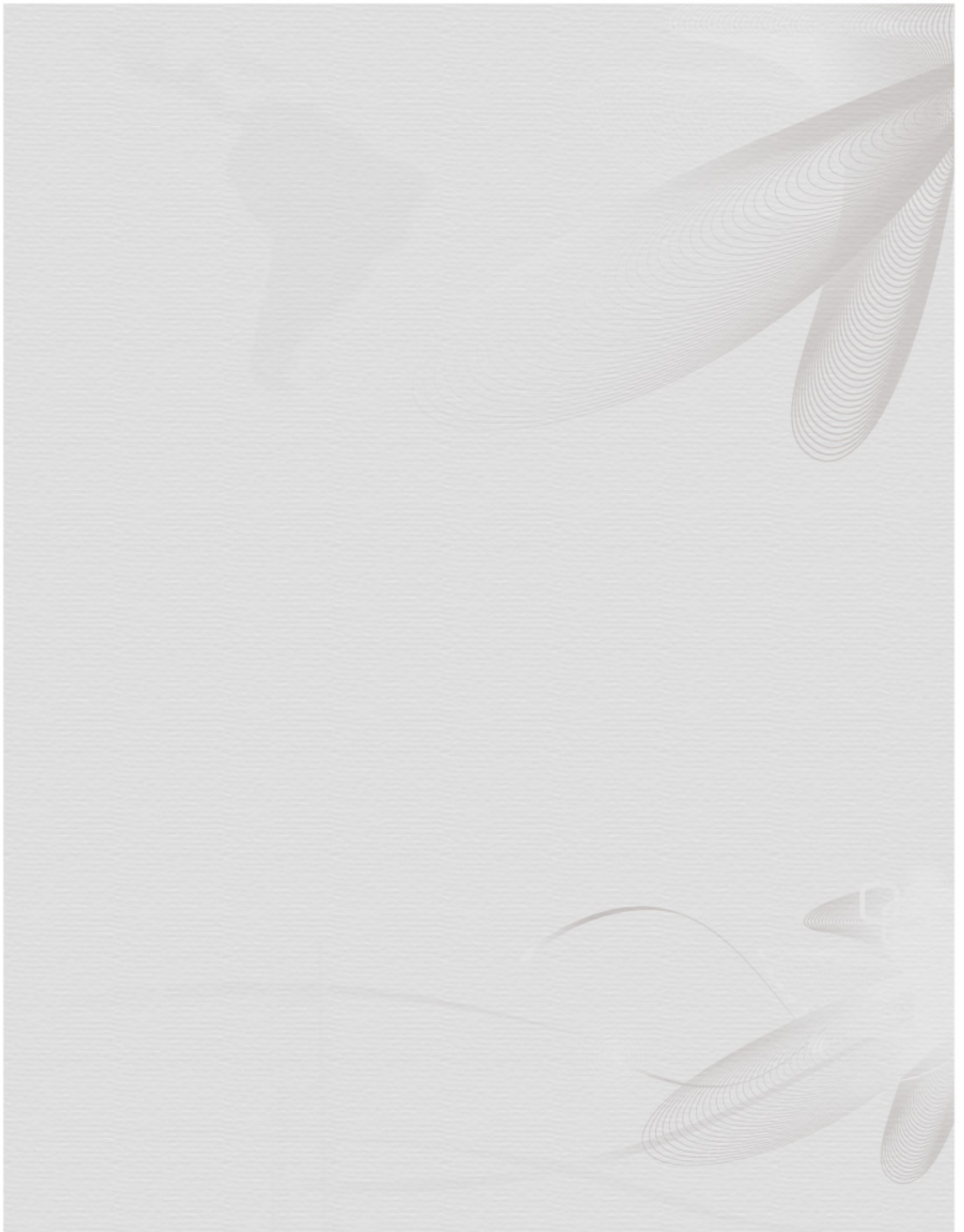
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Integration Blocs







The Caribbean

CARICOM Summit

The Twenty-Fifth Inter-Sessional Meeting of the Conference of Heads of Government of the Caribbean Community and Common Market (CARICOM) was held in Saint Vincent & the Grenadines, March 10-11. The main topics up for discussion included economic growth, sustainable development and climate change, human resources, and information and communications technology (ICT).

The opening speech by the [Prime Minister of Trinidad & Tobago](#), Kamla Persad-Bissessar, underlined the importance of moving forward with the free movement of goods and people, and of improving transport to support development and growth in the Caribbean. Ms. Persad-Bissessar pointed out that one of CARICOM's main problems is the lack of implementation of Community rules and that greater firmness is needed where CARICOM's commitments are concerned. Referring to the process of institutional reform being implemented within the organization, CARICOM Secretary General, [Irwin LaRocque](#), pointed out that there is growing consensus over the adoption of the five-year Strategic Plan for CARICOM.

Related articles:

- IDB-INTAL. "[Thirty-Third Meeting of CARICOM Council of Ministers](#)," in: *INTAL Monthly Newsletter No. 210*, February



Central America

28th Meeting of IDB Governors of the Central American Isthmus and the Dominican Republic

The [28th Regional Meeting of IDB Governors of the Central American Isthmus and the Dominican Republic](#) was held in Río Hato, Panama, February 25-27. Representatives of the Inter-American Development Bank (IDB) and the region's Finance Ministers discussed the economic outlook and the Bank's role in Central America, and explored the opportunities for IDB technical and financial support during the current year. Among the main topics addressed were production transformation and progress in regional projects, notably in the Central American Electrical Interconnection System (SIEPAC).

During 2014, IDB estimates that it will approve a program for these countries of upward of US\$2,000, which will go toward transportation infrastructure and energy, health, educational quality, and fiscal and financial management.

Related articles

- IDB-INTAL. "[IDB works with SIECA toward new integration projects](#)," in: *INTAL Monthly Newsletter No. 210*, February 2014.



Dominican Republic work agenda for SICA

The foreign ministers of the Central American Integration System (SICA) countries [met](#) in Dominican Republic late February and approved the work agenda for the host country's next semester. The agenda is based on five pillars: climate change and disaster prevention, social integration, economic integration, democratic security, and institutional strengthening. Other topics discussed at the meeting were the SICA General Secretariat's budget, climate change, and integration in the framework of cooperation with the European Union for the period 2014-2020.

For more information, click [here](#).



Progress over Central American Customs Union

The First Round of the Central American Customs Union under Honduras's *Pro Tempore* Presidency was held in Tegucigalpa, February 24-28. Major advances include reviews of the Central American Technical Regulations (RTCA), the commitments of the Central America-European Union Association Agreement, and Panama's Protocol on Accession to the Central American Economic Integration Subsystem (SIECA).

This round -the first of 2014- is part of the negotiation mechanism established by the SIECA countries in 2010, whereby three six-monthly rounds are held in which specific topics are discussed with the objective of eliminating barriers to the formation of a Customs Union in the subregion.



Belize and Guatemala deepen trade openness

Authorities from Belize and Guatemala [met](#) in the Belizean capital, Belmopan, and agreed to expand the list of products with trade preferences under the Partial Scope Agreement (PSA) between the two countries, in force since 2010. They also approved the Rules of Procedure for the agreement's Administrative Commission.

According to the Guatemalan Economy Ministry, Belizean exports in 2013 amounted to US\$65 million, while imports totaled just US\$5.1 million. The main products sold to its partner by Guatemala are prepared animal feeds, fertilizers, plastics and items thereof, while its most relevant purchases from its neighbor are scrap metal, cement, and spare vehicle parts.



Andean Community


Progress in Colombia/Peru-EU trade agreements

The first [meetings of the subcommittees to implement](#) the agreements between the European Union (EU) and Colombia/Peru were held February 6-13, with the aim of facilitating [exploitation](#) of these tools. The agreement between Peru and the EU came into force[1] provisionally March 1, 2013, and the one between Colombia and the EU, August 1, 2013.

The meeting was attended by [the Subcommittees](#) on Technical Barriers to Trade, Trade and Sustainable Development, Intellectual Property, and Agriculture, which exchanged information on the progress in implementing regulatory systems and legislative frameworks.

The first subcommittee discussed matters relating to the approval of the countries' technical measures, the accreditation of the various different agencies, and recognition of certification, notifications and regulations, among other issues. The second subcommittee dealt with the [progress](#) in implementing trade-related labor and environmental issues, and also discussed potential priority areas in cooperation. In intellectual property, it assessed the possibility of simplifying the recognition of geographical indications in the future. Last, the Agriculture Subcommittee reviewed the trade flows of agricultural goods and agreed to create instruments to measure their evolution and identify possible remedial measures.

The next meetings of the Sanitary and Phytosanitary Measures Subcommittee and the Government Procurement Subcommittee are scheduled to be held in Lima, Peru, March 31-April 2.



Related articles:

- IDB-INTAL. [“EU-Colombia/Peru trade agreement signed,”](#) in: *INTAL Monthly Newsletter No. 191*, July 2012.
- IDB-INTAL. [“Peru-EU trade agreement comes into force,”](#) in: *INTAL Monthly Newsletter No. 199*, March 2013.
- IDB-INTAL. [“Andean trade agreements,”](#) in: *INTAL Monthly Newsletter No. 204*, August 2013.

[1] The trade part of the Agreement has come partially into force in, but will not come fully into force until the policy and cooperation parts are included. It will be in full force when it has been signed by the parliaments of all EU member states.

Reengineering CAN: the Andean Parliament

The 44th Regular Session of the Andean Parliament was held in Coroico, Bolivia, February 26-28, 2014. Among the items on the meeting's agenda, parliament members discussed the migration of the Parliament of the Andean Community of Nations (CAN) to the newly-formed South American Parliament of the Union of South American Nations (UNASUR), as part of the organization's reengineering process.

In the leadup to the meeting, September 19, 2013, the [Andean Council of Ministers](#), via [Decision No. 792](#), entrusted the High Level Group for the review of CAN's institutional framework with the job of starting the process of preparing a Protocol to facilitate CAN's exit from the Andean Integration System. This "merger by absorption" in UNASUR aims to update CAN's institutional framework to the new realities and challenges of the international context.

The [Andean Parliament](#) was created in La Paz, Bolivia, in 1979, through the Treaty signed by the foreign ministers of Bolivia, Colombia, Ecuador, Peru, and Venezuela, and came into force in 1984. With headquarters in Bogotá, Colombia, it is CAN's organ of deliberation and control. It is made up of five representatives from each member country: Colombia, Ecuador, Peru, Bolivia, and, the Associate Member, Chile. Although its decisions are not binding, this organ has come to be an important space to debate and approve policies benefiting the Community's 120 million inhabitants.

In other matters, the project for the construction of UNASUR's South American Parliament in the Bolivian city of Cochabamba was approved at the [7th Summit of UNASUR Heads of State and Government](#), in Suriname, in August 2013.

This is all evidence of the search for convergence with other integration processes by means of the concentration of different regional authorities in one single parliament.

Related articles:

- IDB-INTAL. "[Reengineering the Andean Integration System](#)," in: *INTAL Monthly Newsletter* 206, October 2013.



Plans to build first Andean satellite

This year will see the construction of the SES-10, [the first satellite to be launched by the Andean Community of Nations \(CAN\)](#). The Netherlands company SES New Skies is responsible for building it and for training staff in satellite operation and control, thanks to the signing of an agreement with the CAN General Secretariat.

Once in orbit, the satellite will boost the CAN countries' satellite capacity, enhancing telecommunications and acting as a tool for economic development. The SES-10 will allow direct-to-home (DTH) satellite TV services and broadband, and will provide Internet access to people living in remote rural areas where there is no broadband land telecommunications infrastructure. The project is in addition to CAN countries' individual efforts. Ecuador, for example, celebrated the launch in April 2013 of its first nanosatellite, the [NEE-01 PEGASO](#), built in the country by the Ecuadorian Civil Space Agency (EXA), and, in November that year, a second nanosatellite, the [NEE-02 KRYSAOR](#), built completely in Ecuador, was launched. A month later, the first Bolivian telecommunications satellite, the Tupac Katari ([TKSAT-1](#)), was launched to provide fixed and mobile telephone, TV, radio, Internet, and other services across Bolivia.

Bilateral ties in MERCOSUR

Paraguay and Uruguay seek to speed up movement of goods, services, and persons

Uruguay's foreign minister, Luis de Almagro, made an official [visit](#) to Paraguay in late February, which included a meeting with President Horacio Cartes. Among the results of the bilateral meetings were: the creation of a High Level Group (GAN) to improve the movement of goods, services, and persons between the two countries; the implementation and definition of an agenda for the bilateral monitoring commissions and mechanisms; the decision to encourage citizens from one country to settle in the other by reducing the cost of residence and documentation requirements; the signing of the (Open Skies) Bilateral Air Transport Agreement; the signing of a memorandum of understanding to define Paraguay's future role in the planned deepwater port of Rocha; and the streamlining of port work in Montevideo and Nueva Palmira. Paraguay was also formally invited to take up the *Pro Tempore* Presidency of MERCOSUR at the forthcoming Common Market Council summit.

Brazil and Paraguay promote business integration

Brazilian businessmen [visited](#) Paraguay with the aim of exploring investments and promoting the bilateral integration of production. Accompanied by Brazilian senators, the private sector representatives forming the National Confederation of Industry (CNI) [met](#) with their Paraguayan counterparts, President Horacio Cartes, and other high-level government officials from the country. On the one hand, the initiative seeks to attract Brazilian investments in Paraguay. On the other, the Brazilian businessmen's motivation is explained by lower labor costs and taxes in Paraguay. According to preliminary data in a [study](#) conducted by Paraguay's Ministry of Industry and Trade (MIC) and funded by technical cooperation from the Inter-American Development Bank (IDB), at the end of 2013, there were 32 successful businesses operating with Brazilian capital in Paraguay, representing one fifth of the country's exports to Brazil. The most relevant sectors of these firms are in clothing, fridges, plastics, shoes, nonmetallic minerals, chemicals, and metals. Many of these companies, it should be remembered, operate in the framework of the maquila regime.

Argentina and Uruguay: dredging to foster foreign trade

The Foreign Ministers of Argentina and Uruguay [met](#) in Buenos Aires, Argentina, March 13, with the aim of addressing matters of bilateral interest, notably progress in river dredging, which is of crucial importance for both countries' exports.

The foreign ministers commissioned the River Plate Executive Commission (CARP) to conclude of the technical studies for the dredging to deepen the Martín García Channel, and the River Uruguay Executive Commission (CARU) to start dredging and buoyage work, as agreed in mid-2013. The work will be funded equally by Argentina and Uruguay.

Related articles:

- IDB-INTAL. "[MERCOSUR: Progress in Bolivian membership and bilateral relations](#)," in: *INTAL Monthly Newsletter No. 201*, May 2013.



Brazil-EU jointly promote investment and competitiveness

Prior to the MERCOSUR-European Union (EU) Summit, the [first meeting of the Brazil-EU Ad Hoc Group](#) took place in Brussels, Belgium, 24 February, to establish a plan of action on investment and competitiveness.

The initiative seeks to boost investments and to promote cooperation in regulatory standardization, small and medium enterprises (SMEs), intellectual property, innovation and industrial research, and other aspects related to competitiveness. In order to move forward in these areas, the meeting identified priority sectors, such as infrastructure and logistics, oil and gas, renewable energy, agribusiness, and tourism.



Ecuador moves toward accession to MERCOSUR


With the aim of moving forward in its possible incorporation in MERCOSUR, Ecuador submitted to Paraguay's Foreign Ministry the instrument ratifying the "Agreement on residency for nationals of the MERCOSUR States Parties, Bolivia, and Chile" and the "Protocol of Montevideo on commitment to Democracy in MERCOSUR," also known as Ushuaia II. The adoption of the bloc's normative acquis is part of the process required for the incorporation of new members to MERCOSUR.

Strategic milestone to promote territorial connectivity between Argentina and Paraguay

Contracts were signed in Asuncion, Paraguay, March 6, for the feasibility and design studies of two projects that will form the pillars of territorial integration between Argentina and Paraguay. The contracts were signed between the Financial Fund for the Development of the River Plate Basin (FONPLATA)[1] and the companies awarded the work, the meeting being attended by the two countries' Foreign Affairs and Public Works officials, as well as officials from provincial and municipal governments. This is a major boost to the physical integration projects for the Clorinda (Argentina)-Metropolitan Area of Asuncion (Paraguay) and Ñeembucú (Paraguay)-Bermejo Bridge (Argentina) Nodes.

From a regional perspective, these projects form part of the [Integration Priority Project Agenda \(API\)](#) and the project portfolio of the South American Infrastructure and Planning Council (COSIPLAN) of the Union of South American Nations (UNASUR). From a bilateral perspective, they also fall under the [Binational Program for the Optimization of Territorial Connectivity between Argentina and Paraguay](#), which aims to identify and submit workable solutions and investment programs for the problems presented by integration infrastructure along the two countries' border. The studies, which are strategic in nature, will establish an investment program, as well as the technical, environmental, and economic feasibility of the projects, by identifying the shortfalls in physical connectivity, the analysis of demand in the transportation system, the infrastructure available, and the border control areas. The amount for the technical cooperation agreement to carry out both studies, tabled for completion within 9 months to 1 year, is US\$1.2 million. In the first case, the company chosen is the Serman consortium in Argentina and Consulpar in Paraguay; in the second, the Uruguayan CSI Ingenieros.

Below are some important aspects of the projects based on information provided by COSIPLAN-IIRSA's Project Information System:[2]

- 
1. The [Optimization of the Clorinda-Asunción Node project](#) seeks to reduce delays and congestion in persons and goods transit by expanding the border crossing's infrastructure and capacity. While the San Ignacio de Loyola Bridge can cope with current transit capacities, there is concern over congestion at either end of the bridge due to the poor infrastructure of the border center and its location, which causes excessive delays in the transit of goods and persons. The study will analyze current crossings and the proposed crossing via a new bridge over the River Paraguay.
 2. The [Optimization of the Ñeembucú-Bermejo Bridge Node project](#) aims to optimize connectivity between Chaco and Formosa Provinces in Argentina, and Ñeembucú Department in Paraguay, and plans the construction of the Bimodal Ñeembucú/Pilar and Bermejo River Bridge. The study will identify the ideal route for the construction of the bridge, and also whether it will be a public works concession or some other modality.

The investment for the first node is estimated at US\$100 million and for the second, US\$60 million. FONPLATA could finance the works, although the details will depend on the results of the studies.

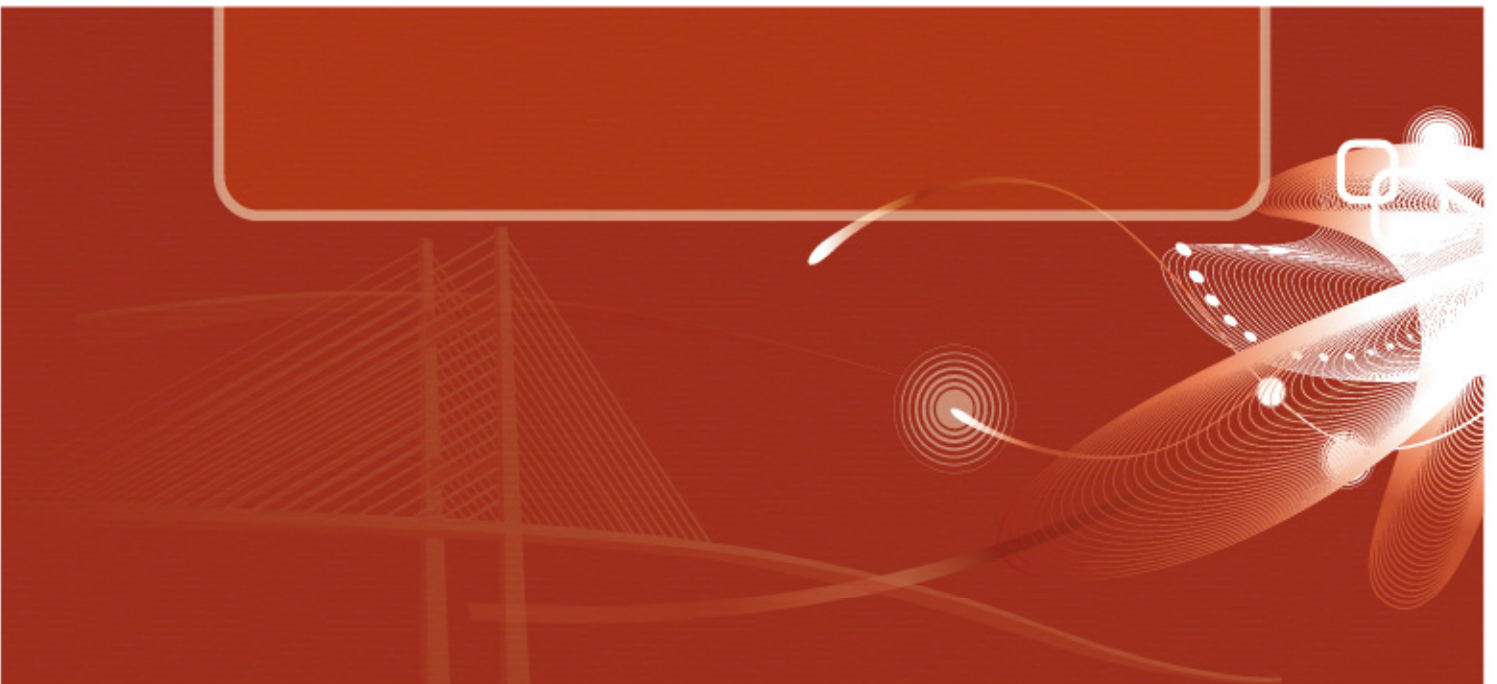
[1] Link to the FONPLATA press release: <http://www.fonplata.org/index.php/2013-12-18-13-53-54/2013-12-18-13-55-36/proyectos-destacados/item/457-fonplata-firma-contratos-con-empresas-adjudicatarias-para-las-obras-del-programa-de-conectividad-territorial-entre-argentina-y-paraguay>.

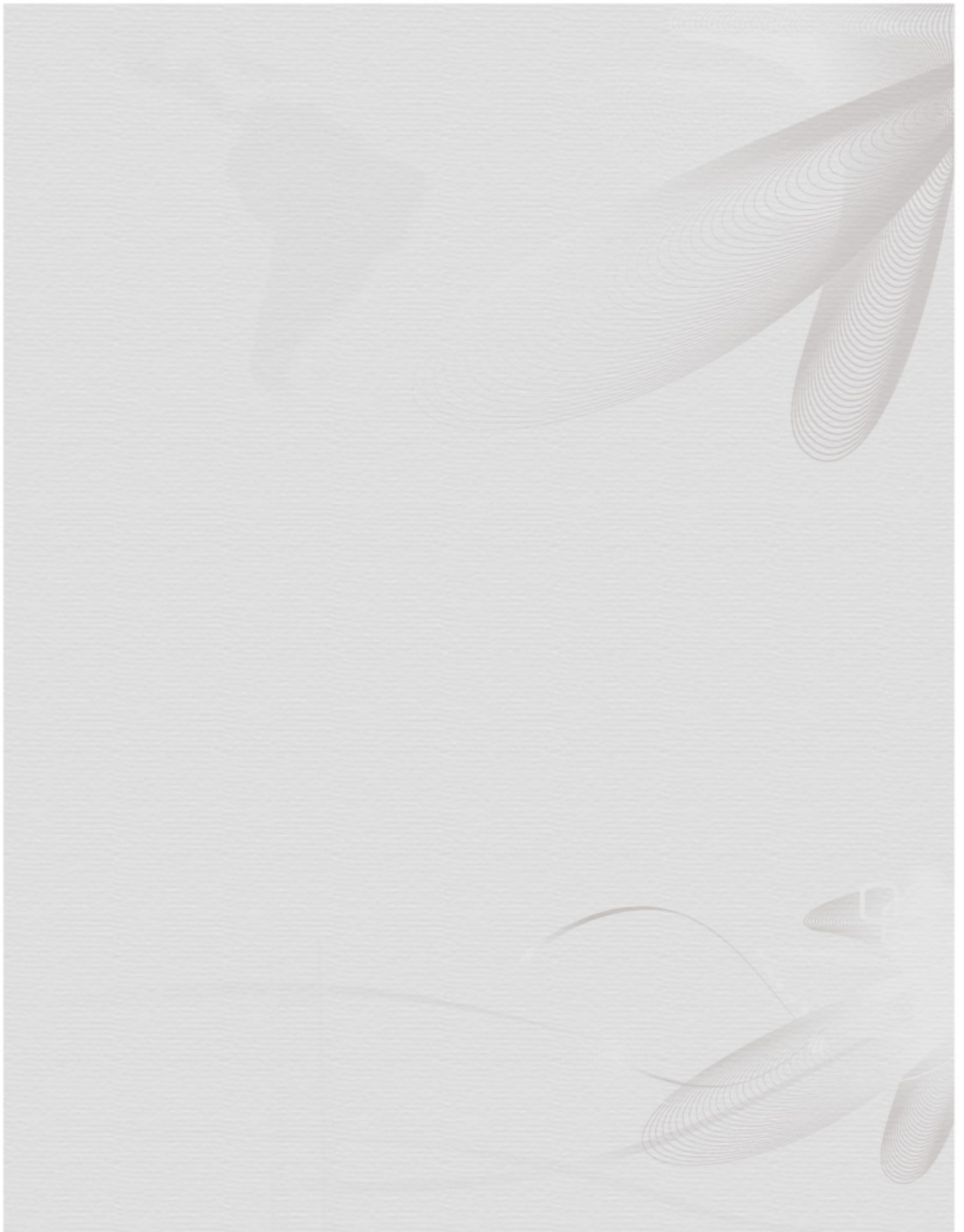
[2] COSIPLAN-IIRSA Project Information System: <http://iirsa.org/proyectos/inicio.aspx>.





Regional And Global Overview





EU-US: fourth round of talks

The [fourth round](#) of negotiations of the [Transatlantic Trade and Investment Partnership \(TTIP\)](#) between the United States and the European Union (EU) was held in Brussels, Belgium, March 11-14. Progress has been made in all three main negotiating areas. First, in *market access*, negotiators addressed the problem of how to move toward the exchange of offers on government procurement and trade in services (this had already been done for goods). Second, they discussed issues relating to *regulation*: regulatory consistency and compatibility, technical barriers to trade, and sanitary and phytosanitary measures. Third, they continued to develop innovative approaches regarding *rules* on sustainable development, labor and environmental standards, trade in energy and raw materials, and trade facilitation and customs procedures. It should also be mentioned that United States and the EU have published a joint [document](#) on the opportunities for small and medium enterprises (SMEs) furnished by the TTIP and on the plans to help these firms make the most of the agreement. The next round of talks will be held in Washington D.C. in the second quarter of 2014.

Related articles:

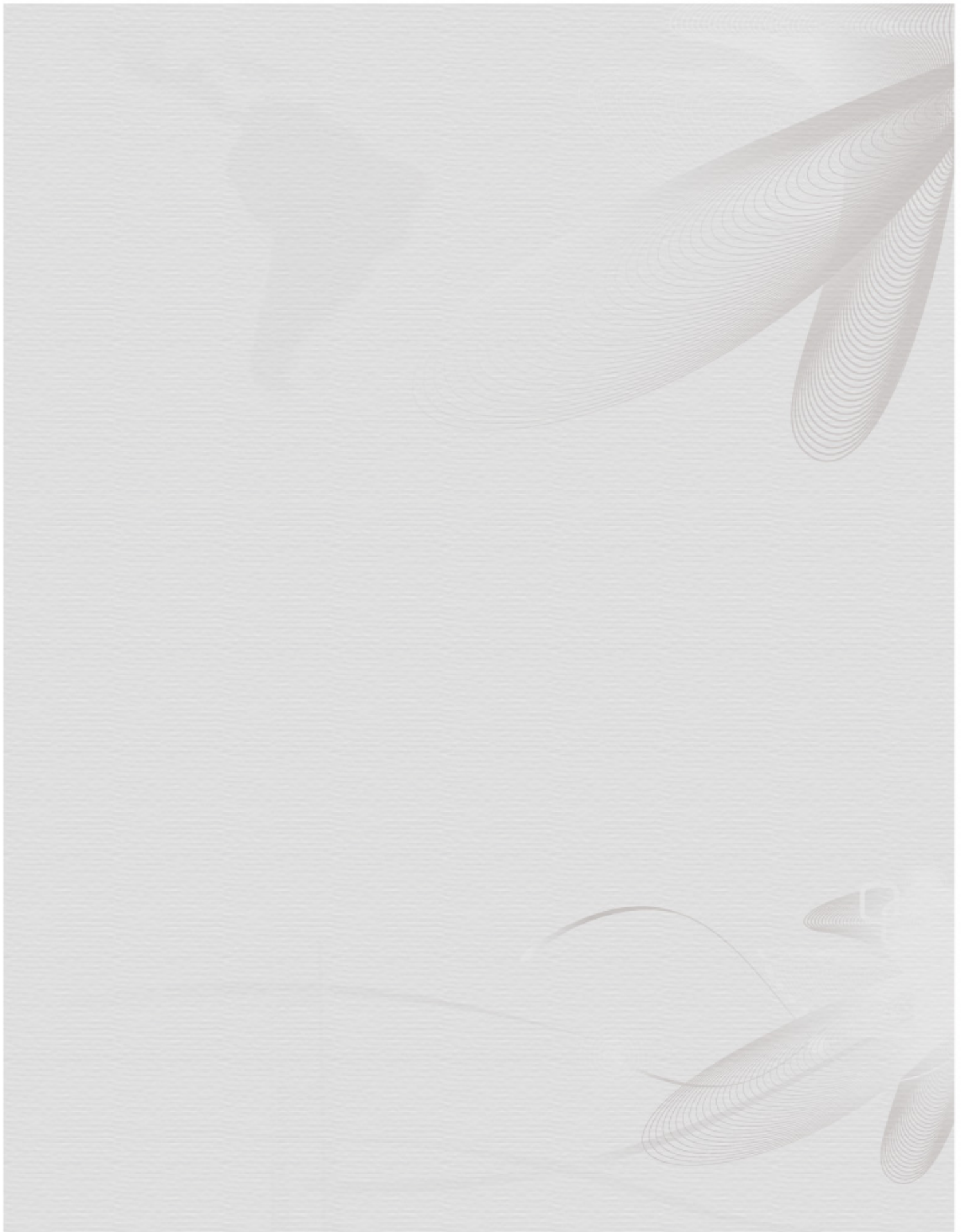
- IDB-INTAL. "[Mega-agreement negotiations: how will they influence Latin America?](#)," in: *INTAL Monthly Newsletter No. 204*, August 2013.
- IDB-INTAL. "[Transatlantic negotiations and the outlook for LAC](#)," in: *INTAL Monthly Newsletter No. 209*, January 2014.





Integration and Trade Sector






Integration & Trade Journal 38 Call for Papers

Support to Border Integration and Border Trade Facilitation in Latin America and the Caribbean

The *Integration & Trade Journal* launches a call for papers on Support to Border Integration and Border Trade Facilitation in Latin America and the Caribbean (LAC).

Contributions addressing the following and other related questions are welcome:

1. How should infrastructure and equipment designs be coordinated with institutional processes aimed at facilitating trade and border controls? How are infrastructure planning, and project formulation and implementation coordinated timely and properly with the processes that harmonize the norms and regulations governing management in border areas? How are infrastructure services in a border zone managed, operated, and maintained (shared administration of services)? What is the private sector's role in the optimization of border infrastructure services, and in the construction and coordinated management of infrastructure?
2. How are national, supranational, and local (or binational in the case of land crossings) policies, norms, and procedures coordinated to facilitate and monitor the movement of goods and people? How to reach an agreement that provides tools to facilitate trade, and the movement of goods and people, such as the International Transit of Goods (TIM), Authorized Economic Operators (AEOs), and Single Points of Contact (SPOCs), or regional initiatives such as the Mesoamerica Project or COSIPLAN-IIRSA? What examples of regional and subregional experiences in Latin America and the Caribbean can be identified? How are regional and local cross-border cooperation development programs coordinated? How to strengthen the capacity of each country's local authorities to work together through programs that take into account the area of regional development from an integrated socioeconomic, environmental, and cultural perspective? What policy measures can be implemented to improve living conditions for the populations living in border regions?
3. How to address the problems associated with lack of security on the border and on trade routes in a coordinated fashion, as well as the impact such problems have on the movement of goods and people? How to tackle the problem of security in a coordinated fashion as it relates to illegals (smuggling, arms trafficking, human trafficking) at the border? What means of surveillance and control could be effectively used to improve security in the area?
4. How are the costs and benefits of a coordinated, efficient border management distributed? What are the impacts of a specific border intervention on the economic and social development? How to approach the design of a coordinated border intervention, taking into account asymmetries across countries and sectors?



Both theoretical and empirical contributions will be considered but priority in all cases will be given to works that deal with relevant policy questions, such as are mentioned above, including case studies. Papers contrasting successful and failed cases, and comparing countries in the region will be especially valued. Papers are expected to provide important insights for the countries of Latin America and the Caribbean.

The closing date for submissions is **May 15, 2014**.

Papers should not exceed **4000** words in length and should be accompanied by an abstract of not more than 200 words.

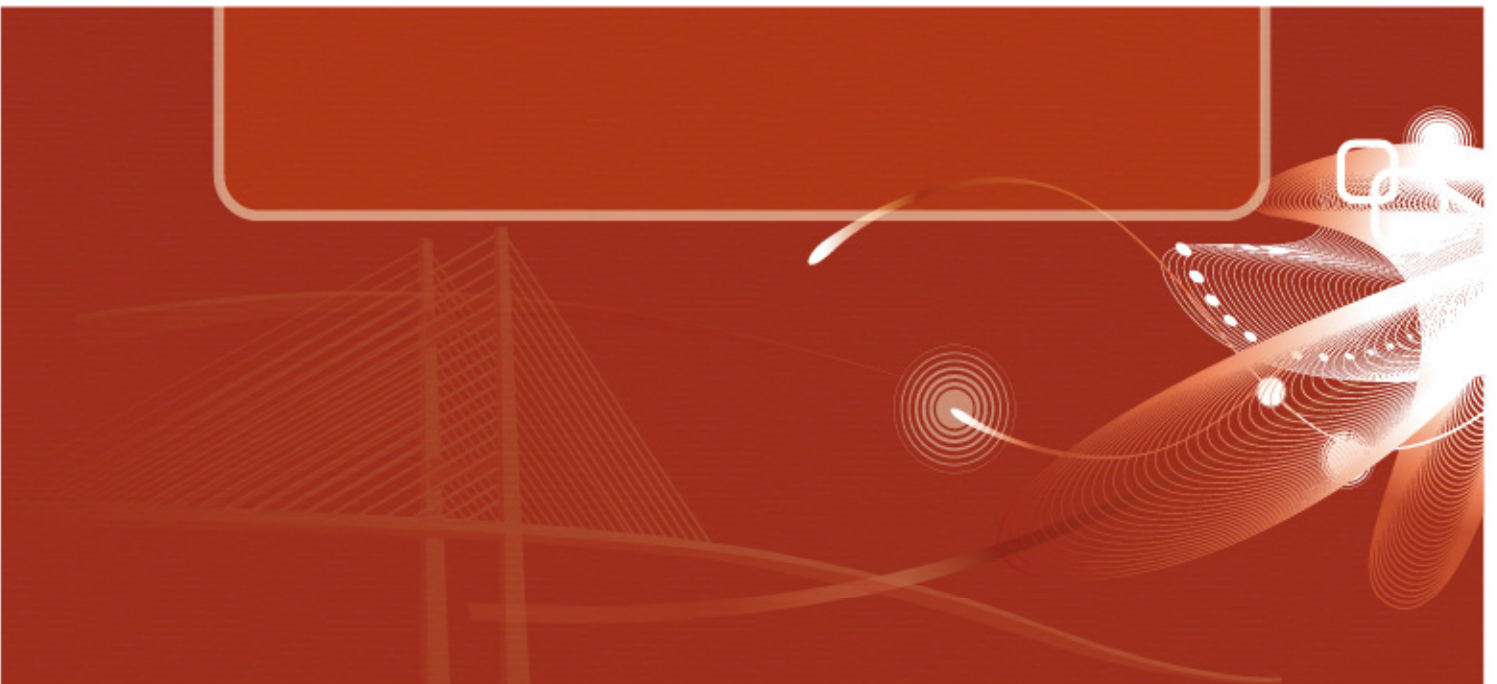
Papers should be sent to intintajournal@iadb.org.

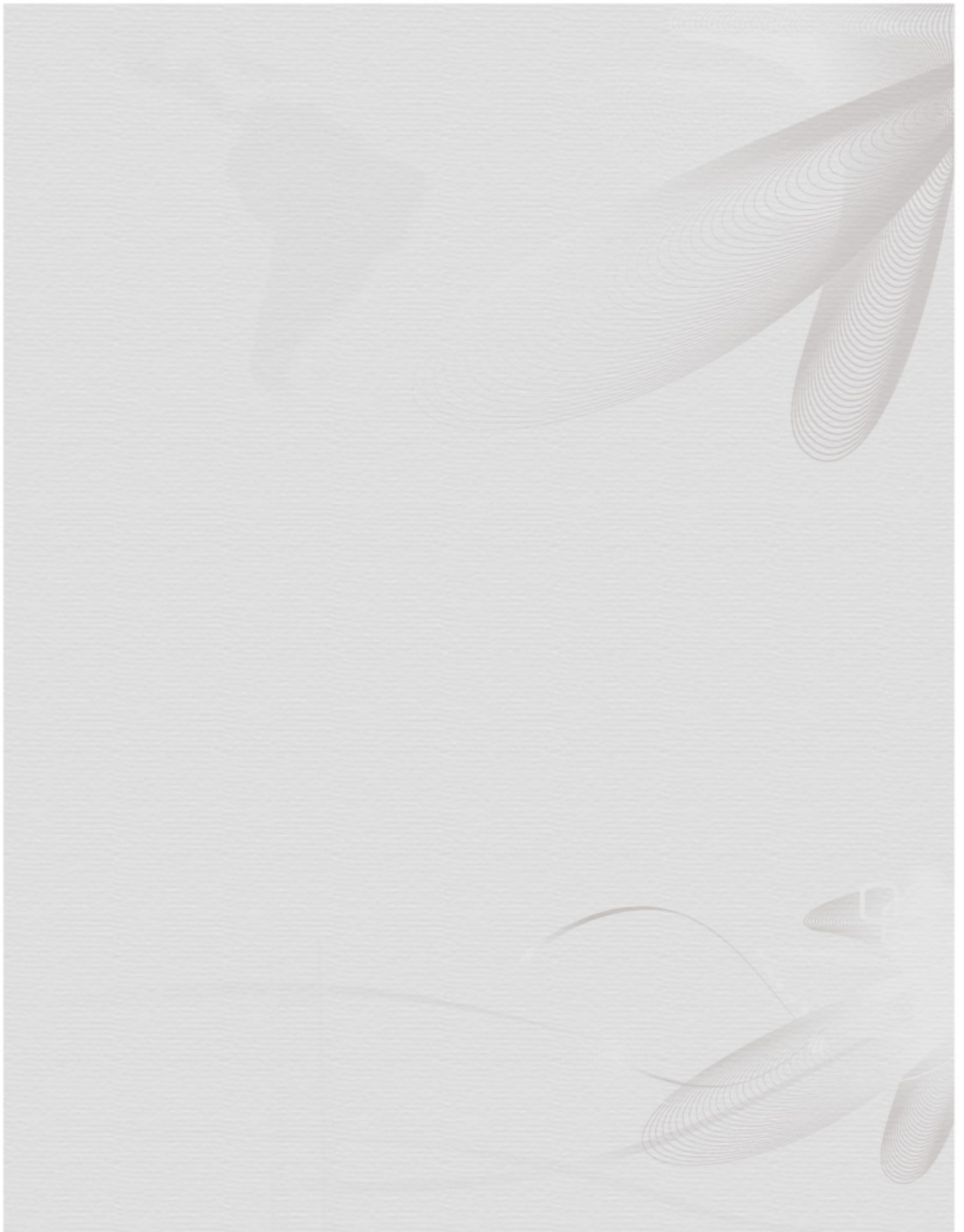
The papers selected by the Editorial Committee will appear in Issue 38 of the *[Integration & Trade Journal](#)*, in August 2014.

[Click here](#) to Call Guidelines.



Other IDB Activities







IDB's 2014 Annual Meeting to Focus on Private Sector's Role in Development

The Inter-American Development Bank (IDB) will hold its 2014 Annual Meeting in Bahía, Brazil, March 27-30, bringing top economic and business leaders to discuss how the private sector can help boost economic and social development in Latin America and the Caribbean ([link](#)).



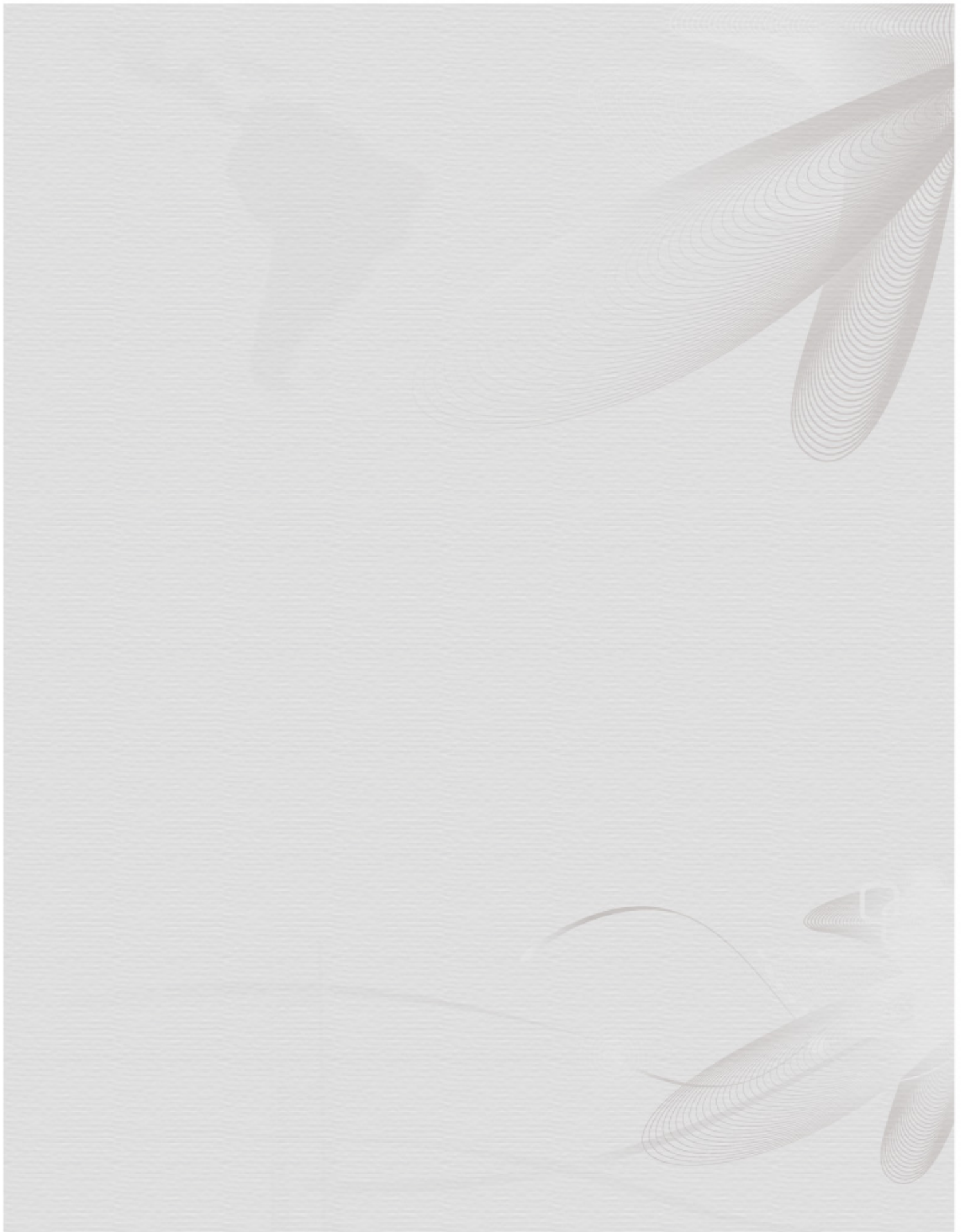
IDB, first Latin American organization to create MOOC courses via edX

The Inter-American Development Bank (IDB) announced today it will start to offer social and economic development courses via edX, the not-for-profit online learning enterprise founded by Harvard University and the Massachusetts Institute of Technology (MIT). The IDB becomes the first organization specialized in Latin America and the Caribbean to create courses through the highly reputable and innovative online educational platform ([link](#)).



INTAL Documentation Center







Reviews

Duina F.G. & J. Buxbaum (2008). “Regional Trade Agreements and the Pursuit of State Interests: Institutional Perspectives from NAFTA and MERCOSUR,” *Economy and Society*, 37(2), pp. 193-223.


Twenty years after the signing of the North American Free Trade Agreement (NAFTA) and twenty-three after the Treaty of Asunción, which created MERCOSUR, it is interesting to look again at the theses held in this work, which draws on examples from both regional agreements. The central point of Duina and Buxbaum’s research revolves around the need to introduce an element of flexibility into regional trade agreement (RTA) design. This characteristic would facilitate adaptation to changes in the negotiation’s initial data, thereby encouraging RTAs to continue to respond to member countries’ long-term interests.

This argument is expressed through three main ideas: after the signing of an RTA, changes in national preferences can occur; there is the possibility of unpredictable effects of the decisions taken at a given time; and, last, it is not a simple matter to identify “national interest” in the negotiations. As mentioned above, these points are illustrated through experiences occurring in NAFTA and MERCOSUR.

The change in national preferences

First, the work points out that when they design an RTA, national representatives base their ideas on a set of preferences that reflect their countries’ interests at that time. These preferences, however, can change significantly over time while the institutional environment created by the RTA remains fixed. Consequently, while national interests may at first be served, a degree of rigidity in institutional arrangements can, over time, stand in the way of this goal, and so put the RTA’s stability at risk.

The authors illustrate such a proposition with two cases: United States’ position regarding the dairy sector in NAFTA, and the wish of MERCOSUR members (with the exception of Brazil) to drop the Common External Tariff (CET).



During the NAFTA negotiations, the US sought to protect its dairy sector from Canadian competition. But the sector altered its stance in the mid-1990s, when United States producers sought to review protectionist policies, while Canadian producers kept up their interest in protection. By using the panel mechanism to resolve the dispute, it was determined that Canadian tariffs were in line with the commitments made in NAFTA and in the General Agreement on Tariffs and Trade (GATT). The US party was therefore unable to alter a provision that it no longer had any interest in supporting.

On the other hand, in the early days of MERCOSUR, the four founding members agreed to an RTA that imposed a restriction on countries approaching third party negotiations on an individual basis. However, with the passing of time, some countries have shown an interest in negotiating outside of the bloc, but have not managed to do so due to the rigidity imposed by the customs union. It should be remembered that, while it is true that members have not negotiated individually with third parties, there has, in practice, been greater flexibility than initially foreseen, since exceptions to the CET have been extended. As the work reminds us, several members have, on several occasions, even implemented unilateral modifications not authorized by the bloc.

Unexpected consequences

Second, the authors point out the problem created by the limited ability to predict all the effects of the decisions taken at the time of the RTA's design.

They illustrate this idea, on the one hand, with Chapter 11 of NAFTA, on the protection of foreign private investment, which was the source of major disputes between companies and the NAFTA member states.

In addition, the work draws attention to the problems arising from the lack of macroeconomic coordination in MERCOSUR. In the early days of the bloc, countries had similar exchange rate regimes, but the problems started with currency crises, first in Brazil and then in Argentina, which negatively affected the partners. The design of the integration model made no provision for tools to deal with such changes in the scenario.

National interests and representatives

Third, the paper highlights the difficulties involved in defining "national interest," including perspectives that may be multiple, divergent, and in competition within the same country. The study argues that, by focusing on election cycles, national representatives may favor the short term in order to keep themselves in power, thus compromising long-term interests. This may involve promoting RTAs or policies that favor the interests of some voters at the expense of others. This is a problem that clearly involves various different areas of public policy, not just RTAs.

On the one hand, the work illustrates this idea with the difficulties the Mexican party had in predicting the sectoral consequences of the signing of NAFTA, in a context of haste to sign the agreement. Similarly, the Paraguayan party agreed upon its entry into MERCOSUR without anticipating the effects in certain structurally weak sectors of the economy.



Initiatives

Faced with such difficulties as these, the authors propose four initiatives for more flexibly designed RTAs. First, as the architecture and scope of RTAs are generally permanent, they recommend the possibility of reviewing the agreements through the majority principle in order to prevent countries getting locked into situations arising from previous decisions.

Second, they suggest avoiding “all or nothing” approaches and instead seeking “*à la carte*” agreements where members decide which dimensions of integration to participate in.

Third, they recommend RTAs to have the approval of at least two governments (consecutive or otherwise) in a given country, so that the interests of various different stakeholders are taken into account.

Last, they stress the importance of countervailing funds and mechanisms of the adjustments produced by the signing of the RTA.

The paper shows the importance of the design phase in the agreements and in the possible negotiation and adaptation mechanisms, topics that take on importance given the proliferation of RTAs at the global level, and in Latin America and the Caribbean.

Regional Trade Agreements and the Pursuit of State Interests: Institutional Perspectives from NAFTA and MERCOSUR ([link](#)).



Bibliographic alert

This weekly alert disseminates information on the highlighted documents recently uploaded in the INTAL Documentation Center Data Base (CDI). It also provides links to open access bulletins and journals in Spanish, Portuguese and English. Click [here](#)

Monthly Highlights

*Schamis, G., dir. y Ramos, A., coord. (2014). Informe MERCOSUL número 18 : Segundo semestre 2012 - Primeiro semestre 2013. Buenos Aires: INTAL.



Autor:Schamis, Graciela, dir.; Ramos, Alejandro, coord.
Título:Informe MERCOSUL número 18 : Segundo semestre 2012 - Primeiro semestre 2013

Otros responsables:Carciofi, Ricardo; Campos, Rosario; Gayá, Romina; Michalczewsky, Kathia; Lucángeli, Jorge; Mesquita Moreira, Mauricio; Instituto para la Integración de América Latina y el Caribe, INTAL

Edición:Buenos Aires: INTAL, março 2014 [142 p.]

Serie:Subregional Integration Report Series MERCOSUR = Informes Subregionales de Integración MERCOSUR = Série Informes Subregionais de Integração MERCOSUL; 18

Temas:<MACROECONOMIA><INTEGRACION REGIONAL><INTEGRACION ECONOMICA><MERCADO COMUN DEL SUR, MERCOSUR><INVERSION EXTRANJERA DIRECTA, IED><COMERCIO INTERNACIONAL><NEGOCIACIONES COMERCIALES><RELACIONES COMERCIALES><COMERCIO EXTERIOR><ECONOMIA INTERNACIONAL><EXPORTACIONES><INTEGRACION PRODUCTIVA><INTEGRACION ENERGETICA>

JEL:F15; F21; F4; F5; O4

Geográficos:<AMERICA LATINA><CONO SUR>

Resumen:O Informe MERCOSUL Nº 18 (julho de 2012-junho de 2013) analisa os fluxos comerciais dos países do Mercado Comum do Sul (MERCOSUL) no contexto da evolução econômica respectiva e dos principais aspectos do processo de integração do bloco, tanto na agenda interna quanto na externa. Em 2013, o crescimento da economia mundial

estaria em 2,9 por cento, 0,3 p.p. menos do que no ano anterior, com uma evolução diferenciada entre as economias desenvolvidas e em desenvolvimento, embora estas últimas tenham desacelerado os ritmos prévios. A recuperação dos Estados Unidos é ainda fraca, a Reserva Federal continuaria o programa de promoção, enquanto a política fiscal continua sendo restritiva. A recessão da Zona do Euro continuaria em 2013, com certa recuperação em 2014, enquanto a taxa de desemprego se mantém em máximos históricos. O Japão conseguiria sustentar o crescimento baseado no programa de estímulo fiscal e monetário, enquanto a China cresceria 7,6 por cento em 2013, 0,1 p.p. menos do que em 2012. Para a América Latina e o Caribe, a expansão econômica em 2013 seria levemente inferior à média mundial, 2,6 por cento. Na América do Sul, onde se preveem taxas positivas, as principais ameaças estão associadas ao desaquecimento do comércio mundial, à evolução dos preços dos produtos básicos, e à provável reversão dos fluxos de capitais no caso de haver mudanças na política monetária dos Estados Unidos ...

Nota general: Nota Técnica BID Nº 643.

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*The Complete Issue. (2014). *Integration and Trade*. 17(37). p. 1-196.



Título:The Complete Issue

Otros responsables:Instituto para la Integración de América Latina y el Caribe, INTAL


Serie:Integration and Trade (2013) ; 17 (37) : p. 1-196

Temas:<INTEGRACION REGIONAL><ACCESO A LOS MERCADOS><BARRERAS COMERCIALES><CADENAS DE VALOR><COMERCIO EXTERIOR><COMERCIO INTERNACIONAL><COMPETITIVIDAD><CRECIMIENTO ECONOMICO><DESARROLLO ECONOMICO><DESARROLLO TECNOLOGICO><DIVERSIFICACION DE LAS EXPORTACIONES><ESTADISTICAS><EXPORTACIONES><INDUSTRIA ELECTRICA><INNOVACIONES TECNOLOGICAS><INTEGRACION PRODUCTIVA><PAISES DESARROLLADOS><PEQUEÑAS Y MEDIANAS EMPRESAS, PYMES><POLITICA COMERCIAL><POLITICA MACROECONOMICA><POLITICAS PUBLICAS EN GENERAL><PRODUCTIVIDAD><PROMOCION DE LAS EXPORTACIONES><PROMOCION DE LAS INVERSIONES><SECTOR PUBLICO><TECNOLOGIAS DE LA INFORMACION>

JEL:D24; D4; F1; L11; L25; L53; L94; O1; O3; O54; Y10; Y3

Geográficos:<ARGENTINA><AUSTRIA><CHILE><COLOMBIA><COSTA RICA><ESPANA><GUATEMALA><JAMAICA><COREA DEL SUR><MEXICO><PERU><URUGUAY><CATALUNA [ESPANA]><CARIBE><AMERICA LATINA><ASIA Y EL PACIFICO><AMERICA DEL SUR>

Resumen:It is well known that, despite improvements in recent years, a number of LAC countries' exports still remain below their potential and what would be expected judging from their levels of development. The same holds for their degrees of export diversification (Blyde et al., 2014). In addition, their participation in global value chains (GVC) also seems to be relatively limited (Blyde & Volpe Martincus, 2011). This matters for the countries' economic prospects, and potentially to a large extent. Low levels of openness and lack of diversification can be costly in terms of economic growth, whereas limited participation in GVC can restrict access to international flows of knowledge and technology, thereby reducing the potential for learning and productivity improvements in local firms (e.g., Brainard & Cooper, 1968; Frankel & Romer, 1999). The increased availability of firm-level export data in recent years has made it possible to also learn that LAC trade, like in many countries around the world, is primarily driven by large, multi-product, multidestination exporters that account for a very small share of the number of direct exporters. According



to recent data, many LAC economies' exports are generated by the top-1 percent of exporters (Volpe Martincus & Graziano, 2013). However, rather little is known about the role of small- and mid-size enterprises (SMEs) in the region's trade, in spite of the fact that they make up more than 90 per cent of firms and account for a substantial portion of employment in these countries (e.g., ECLAC & OECD, 2012). In particular, there are a series of pending yet pivotal questions, such as: To what extent and how do SMEs contribute to their countries' exports? How internationalized are LAC SMEs compared to SMEs in other world regions? How diversified are LAC SMEs' exports across products and destinations? What are the key bottlenecks to LAC SME internationalization?

Accesos al documento:

H INTEG.COM. [2013] 17, 37 : p. 1-196

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***Durán Lima, J. y Zaclicever, D. (2013). América Latina y el Caribe en las cadenas internacionales de valor. Santiago de Chile: CEPAL.**



Autor:Durán Lima, José; Zaclicever, Dayna

Título:América Latina y el Caribe en las cadenas internacionales de valor


Edición:Santiago de Chile: CEPAL, diciembre de 2013 [68 p.]

Serie:Serie Comercio Internacional; 124

Temas:<COMERCIO INTERNACIONAL><CADENAS DE VALOR><RELACIONES COMERCIALES><REGIONALISMO><PEQUEÑAS Y MEDIANAS EMPRESAS, PYMES>

Geográficos:<AMERICA LATINA><CARIBE>

Resumen:El comercio internacional está cada vez más articulándose en torno a las llamadas cadenas globales de valor, cuyo desarrollo ha llevado a que los bienes intermedios ganen crecientemente importancia en el vínculo comercial entre los países. La evidencia disponible respecto al funcionamiento de estas cadenas indica que se trataría de un fenómeno principalmente regional, en la medida que las mismas se concentran geográficamente en América del Norte, la Unión Europea y Asia del Este, organizadas en torno a los Estados Unidos, Alemania y Japón y China, respectivamente. Este sesgo regional que caracteriza a las cadenas globales de valor genera desafíos a los países de América Latina y el Caribe, cuya inserción en estas cadenas ha sido en general hasta ahora limitada. Este estudio evalúa la participación de los países de América Latina y el Caribe en cadenas internacionales de valor, analizando los vínculos comerciales dentro de la propia región así como las relaciones de los países latinoamericanos con las tres principales cadenas que operan actualmente en la economía mundial (las llamadas "fábrica América del Norte", "fábrica Europa" y "fábrica Asia"). Del análisis realizado se desprende una marcada heterogeneidad en la inserción de los países de la región en redes internacionales de producción, con dos patrones claramente diferenciados: uno de mayor vinculación con los Estados Unidos y la "fábrica América del Norte" (México y América Central), y otro con una orientación marcada hacia redes de producción subregionales -en general, aun incipientes- (América del Sur y el Caribe). La profundización del análisis para las dos economías de mayor tamaño y sofisticación productiva de la región, el Brasil y México, muestra una mayor inserción del primero en eslabones iniciales de las cadenas de valor (como proveedor de insumos que son utilizados en la producción de otros bienes y servicios en el exterior) y una mayor integración de México en eslabones que involucran actividades de ensamblado de bienes finales con escasa



incorporación de valor agregado. Los retos planteados por el desarrollo de las cadenas globales de valor abren un espacio para actualizar los mecanismos de cooperación e integración regional, poniendo el foco en ellos y desarrollando iniciativas plurinacionales en algunos ámbitos. Avanzar de manera coordinada en estos temas probablemente contribuirá más a la integración regional y a la gestación de cadenas de valor subregionales que los debates sobre estrategias comerciales o liberalización arancelaria.

Accesos al documento:HM CEPAL-COM.INTERNAC. 124 [2013]

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*Alleyne, D.; Hendrickson, M.; Phillips, W.; Yoshida, K.; Pantin, M. y Skerrette, N. (2013). **Economic Survey of the Caribbean 2013 : Improved economic performance with reduced downside risks.** Santiago de Chile: CEPAL.



Autor: Alleyne, Dillon; Hendrickson, Michael; Phillips, Willard; Yoshida, Kohei; Pantin, Machel; Skerrette, Nyasha

Título: Economic Survey of the Caribbean 2013 : Improved economic performance with reduced downside risks

Edición: Santiago de Chile: CEPAL, november 2013 [59 p.]

Serie: Studies and Perspectives, The Caribbean; 28

Temas: <EXPORTACIONES><INVERSION EXTRANJERA DIRECTA, IED><COMERCIO DE SERVICIOS><CRECIMIENTO ECONOMICO><POLITICA FISCAL><POLITICA MONETARIA><MERCADO DE TRABAJO>

Geográficos: <CARIBE><GRAN CARIBE>

Resumen: This survey posits that improving global prospects especially in the United States and Europe will mean opportunities for positive growth in the Caribbean due to increasing exports and renewed inflows from foreign direct investment and remittances. It points out that the response of the Caribbean economies to the global crisis has been asymmetric with the goods producing economies doing better than the service producing economies with respect to growth and their public finances. On the latter issue the region faces severe challenges as debt to GDP ratios in some countries are in excess of 100 per cent. Such high debt burdens impact growth negatively through many channels. Among these are the upward pressure placed on domestic interest rates, and the decline in government capital spending which is often complementary to private investment. The survey also notes that the domestic private sector still remains risk averse and this together with depressed foreign direct investment has not promoted robust investment in the region, except for a few countries. For these reasons it suggests that private /public sector partnerships are a useful vehicle for jump starting private investment and allowing for investment to continue. In addition, with limited public resources available, such partnership allow some public functions to be pursued. The outlook for 2012 and 2013 is for modest overall growth in the subregion and this is contingent on improved demand in major export markets over this period leading to increased domestic investment and employment.

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H: Suriname [p. 53]

Studies and Perspectives series, The Caribbean: issues published [p. 57]

Accesos al documento: HM CEPAL.CAR-EST.PERSPECT. 28 [2013]

Documento Electrónico

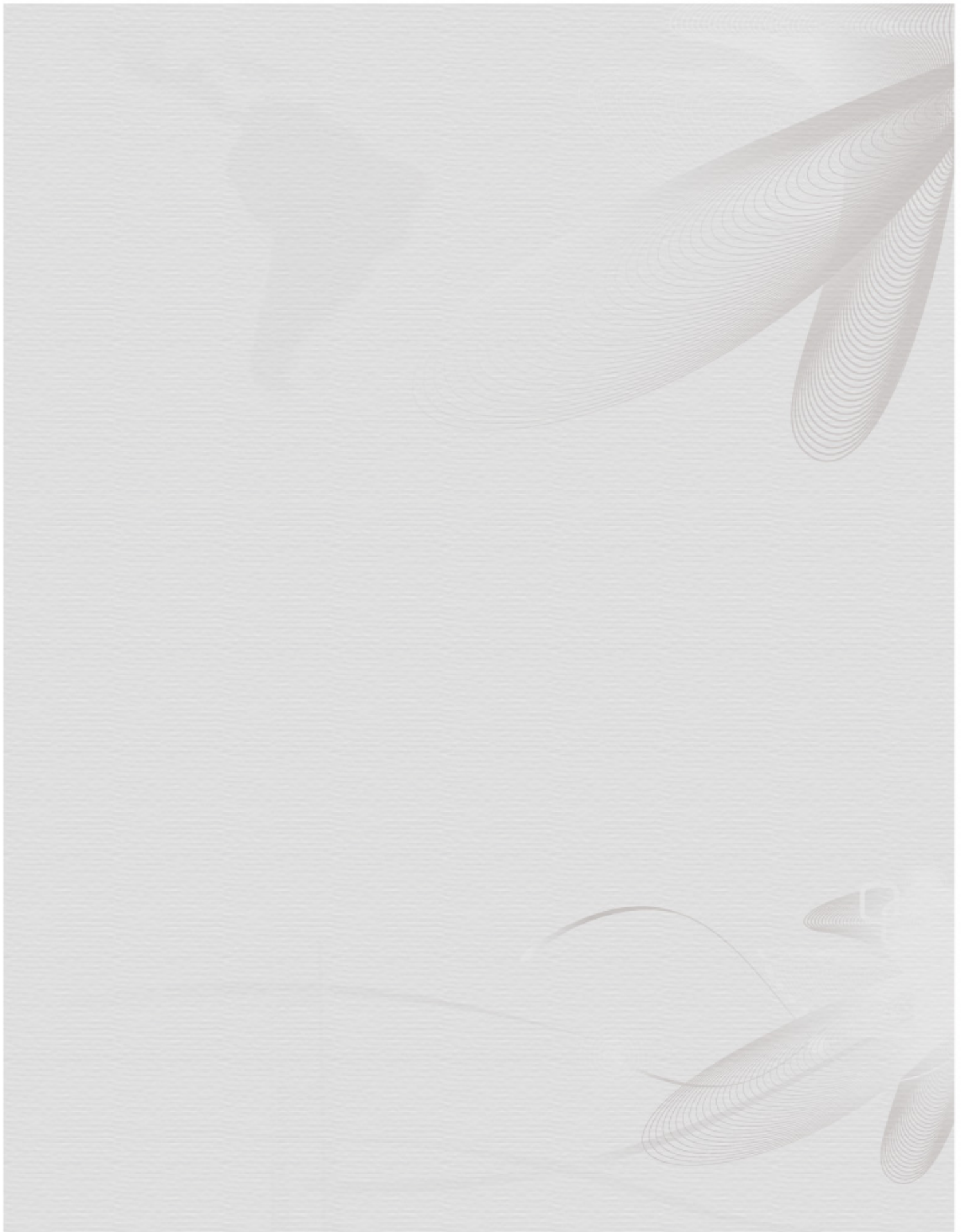
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R.P.I.: 5095067
ISSN: 1027-2550



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Information sources: Press releases and clippings from: LAIA; IDB; CARICOM; Andean Community; Euro-Lat; Group of 77; ACS; Group of Rio; MERCOSUR; PARLATINO; LAES; SG-SICA; SIECA. Official and International Agencies. INTAL Press.

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Links to original information sources in this issue:

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