



# Final Report

*XLI Regular Meeting of the Latin American Council  
Caracas, Venezuela  
25 to 27 November 2015  
SP/CL/XLI.O/IF-15*

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**A. RAPPORTEUR'S REPORT**

1. In compliance with the provisions set forth in Article 12 of the [Panama Convention](#), the *XLI Regular Meeting of the Latin American Council* was held at the headquarters of the Permanent Secretariat of SELA in Caracas from 25 to 27 November 2015.
2. Participants included delegations from the following Member States: Argentina, Barbados, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Jamaica, Mexico, Nicaragua, Panama, Peru, Dominican Republic, Suriname, Trinidad and Tobago, Uruguay, and Venezuela; the Permanent Secretary, Ambassador Roberto Guarnieri, and officials from the Permanent Secretariat of SELA. The list of participants is included in Annex IV.

**TEMA I. ORGANIZATION OF WORK**

3. On 25 November a Meeting of Heads of Delegation took place prior to the formal opening of the Preparatory Stage, which considered the conformation of the Bureau of the Latin American Council.
4. The Bureau of the Latin American Council was made up as follows: His Excellency Ruy Carlos Pereira, Ambassador of Brazil to the Bolivarian Republic of Venezuela, as Chairman; the Honourable José Carlos Herodier, Chargé d'Affaires of El Salvador in the Bolivarian Republic of Venezuela, as First Vice-Chairman; His Excellency Robert McKenzie, Chargé d'Affaires of the Cooperative Republic of Guyana in the Bolivarian Republic of Venezuela, as Second Vice-Chairman; and the Honourable Ramiro León Torras, Specialist of the Ministry for Foreign Trade and Investment of Cuba, as Rapporteur.
5. Ambassador Ruy Carlos Pereira, Chairman of the Latin American Council, was in charge of the installation of the Preparatory Stage. Mr Pereira thanked the Member States for their willingness to support the activities of the Latin American Council and the Permanent Secretariat.
6. The delegations thanked Ambassador Ruy Carlos Pereira for his work during his period as Chairman of the Latin American Council and re-elected him for the period 2015-2016.
7. Ambassador Ruy Carlos Pereira, on behalf of his Government, thanked the delegations for re-electing him as Chairman of the Latin American Council, and also thanked the Permanent Secretary, Ambassador Roberto Guarnieri, and the work team of the Permanent Secretariat of SELA for the technical and logistic support and hospitality during his term.
8. The Ministerial Stage was installed by the Honourable Alexandre Yáñez Deleuze, Vice-Minister for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, who congratulated the new members of the Bureau on their election and highlighted the importance of the event. The text of this speech is included in Annex I.
9. At the opening session, His Excellency Ruy Carlos Pereira, as Chairman of the Bureau of the Latin American Council, took the floor. Mr Pereira underlined the importance of the event and the work done by the Permanent Secretariat of SELA concerning the evolution of integration in Latin America and the Caribbean, which he considered critical for the future initiatives on articulation and convergence for regional integration. He congratulated the

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members of the Bureau on their election and reiterated the willingness of the Brazilian government to support them and the Permanent Secretariat of SELA in the development of their activities. The text of Mr Pereira's speech is included in Annex III.

10. The Permanent Secretary congratulated the new members of the Bureau, in particular Ambassador Ruy Carlos Pereira, on his re-election; he welcomed participants and thanked the Chairman for his words of recognition to the work carried out by the Permanent Secretariat and the support given by the Chairmanship. He added that he much appreciated the willingness of the Member States, the Bureau and the staff of the Permanent Secretariat. The text of the Permanent Secretary's speech is included in Annex II.

11. The Chairman of the Bureau greeted the audience and expressed his appreciation to the Permanent Secretary, Ambassador Roberto Guarnieri, for the work the staff of the Permanent Secretariat of SELA. Then, he submitted for consideration by delegations the Annotated Draft Agenda and Organization of Works (SP/CL/XLI.O/DT N° 1-15), which was unanimously adopted and contains the following items:

- I. Organization of Works
- II. Annual Report of the Permanent Secretariat
- III. Work Programme of the Permanent Secretariat for the year 2016
- IV. Budget of the Permanent Secretariat for the year 2016 and Administrative Matters
- V. Institutional Matters
- VI. Other Matters
- VII. Forum: "Status of the integration process in Latin America and the Caribbean"

Then, the Chairman passed the floor to the delegates who wanted to express their views on the Agenda.

12. The delegation of Brazil presented two Draft Decisions: one referred to the "Rules of procedure applicable to SELA meetings," under Item V of the Draft Agenda; and the other focused on the "Budget process of SELA," under Item VI.

Next, the Chairman opened the Meeting and invited the Permanent Secretary to present the corresponding items.

### **ITEM II: XXXIX ANNUAL REPORT OF THE PERMANENT SECRETARIAT**

13. The Permanent Secretariat of SELA submitted its Thirty-Ninth Annual Report of the Permanent Secretariat (SP/CL/XLI.O/DT N° 3-15), corresponding to the activities carried out since the last Regular Meeting of the Latin American Council to date.

14. The Chairman passed the floor to delegations so that they could express their views on the submitted report. Afterwards, some of them referred to the following aspects:

- i) The usefulness and importance of establishing the extent to which Member States are satisfied with the support that the Permanent Secretariat provides, making special reference to the Caribbean countries.
- ii) The notable progress achieved by the Permanent Secretariat in terms of information and distribution of its work, especially through its general Web site, as well as the specialized Web sites.

- iii) The contribution made by the Permanent Secretariat to support the participation of Member States and the need for them to reward those efforts to, in turn, help strengthen the value of the work carried out by the Permanent Secretariat.
  - iv) The need for the Permanent Secretariat to continue supporting the Central American and Caribbean countries, making special reference to the latter, so that they can overcome barriers to air and maritime connectivity through initiatives such as the Programme for the Creation of the Network of Digital and Collaborative Ports.
  - v) The advisability for the Permanent Secretariat to promote the intensive use of Information and Communication Technologies (ICTs) as a strategy to encourage greater participation of the Member States in carrying out the Work Programme.
  - vi) Maintain the cooperation policy with CELAC and encourage SELA to complement all the activities of CELAC's action plans, when required.
  - vii) The need to regulate the payment of outstanding quotas, so that the Permanent Secretariat could have sufficient financial resources to work more effectively and strengthen its scope and impact.
15. The delegations congratulated the Permanent Secretariat on the report submitted and recommended that priorities be set for future tasks. As for the development of the Work Programme, it was deemed necessary to request Central American and Caribbean countries information about their needs and initiatives. Finally, it was considered useful for the Permanent Secretariat to explain the reasons why specific activities were not carried out during 2015.
16. The Permanent Secretary thanked the delegations for the recognition of the work carried out by the Permanent Secretariat, commented on the presentations and referred to the following aspects:
- i. The value of the work carried out by the Permanent Secretariat depends, to a great extent, on the participation of the Member States in the activities, both in events and studies, because the assessment in terms of scope, usefulness and impact is in the hands of recipients of such activities.
  - ii. The importance for the Permanent Secretariat to continue its efforts in conducting analytical studies of major importance according to the needs and requirements of the Member States, with a view to providing the technical basis for decision making and design of relevant public policies.
  - iii. The firm intention of the Permanent Secretariat to incorporate the Eastern Caribbean countries into SELA, thereby equalling its membership to that of CELAC, thus strengthening its position to provide technical support to the leading regional organization.
  - iv. The need to strengthen the Permanent Secretariat's efforts to incorporate Information and Communication Technologies (ICTs) as support elements to its work, always recognizing that not only the technological advances are important, but also the participation of the human factor in the analysis and valuation of the work carried out, with special reference to the studies. To that end, the Permanent Secretariat will continue to provide significant products in its areas of competence.
  - v. Among the meetings that could not be conducted, a reference was made of the Regional Meeting of Business Organizations on Productive and Industrial Development, derived from a mandate by CELAC. That meeting was postponed twice because of a coordination problem with ECLAC and CAF-development bank of Latin America. As a result, the public-private meeting, scheduled to convene public and private sector representatives, was automatically postponed. Subsequently, the Permanent Secretariat sent two notes on this

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matter to the two entities involved, and to date it has not received a response. He added that this endeavour could be reinforced with the support of the Member States.

- vi. With respect to the Meeting on Economic Relations between Latin America and the Caribbean and the Association of Southeast Asian Nations (ASEAN), the responses to the convening letter were insufficient, and for this reason it was suspended.
17. The delegation of Panama expressed its support to the idea of broadening participation via videoconferences, and in this connection, it recommended the creation of a special room for that purpose.
18. The Permanent Secretary said he will do his utmost in this regard. However, he stressed that many issues are not be suitable for this procedure and that, ultimately, the idea is to provide value-added documents to the recipients, who are in the best position to assess their scope and impact.
19. Since there were no more remarks, the Chairman declared the Report of the Permanent Secretariat approved.

**ITEM III: WORK PROGRAMME OF THE PERMANENT SECRETARIAT FOR THE YEAR 2016**

20. The Bureau passed the floor to the Permanent Secretariat so that he would present the Work Programme of the Permanent Secretariat for the year 2016.
21. Subsequently, the Permanent Secretariat presented the Work Programme for the year 2016. The delegations congratulated the Permanent Secretariat on its presentation and highlighted the scope and quality of the proposals submitted. In addition, the following issues were pointed out:
  - i. The need for an indicator that allows for appreciating the impact of studies on SMEs.
  - ii. The advisability of analyzing the prospects for fulfilling the Work Programme for the year 2016, by taking into account the difficulties faced during the development of some activities in 2015.
  - iii. The importance of the Permanent Secretariat's effort as regards the creation of the Network of Digital and Collaborative Ports and the promotion of International Trade Single Windows, in view of their direct impact on intra-regional trade facilitation, with particular reference to Central America and the Caribbean.
  - iv. The importance for the Permanent Secretariat to continue its efforts to give the greatest possible visibility to the work of SELA.
  - v. The effort to incorporate the Eastern Caribbean countries into SELA, which could be achieved, among other ways, by financing the participation of those countries in the activities of the organization.
  - vi. The need for those Member States that have not yet done so to pay their outstanding annual quotas, so that the organization could have the resources required to develop its activities in a more effective manner.
  - vii. Concerns by the Member States about the need for SELA to become a more useful tool for them, according to their needs and requirements.
  - viii. The Permanent Secretariat counts on a very important space to help Member States with suggestions about the need to recover their pace of growth and development, in view of the current adverse macroeconomic conditions in the region.

- ix. The Permanent Secretariat should strengthen its ties with the academic sector in the region, with the purpose of increasing the visibility and promoting the dissemination of activities it carries out.
  - x. The delegation of Bolivia presented a project for the Permanent Secretariat to prepare a study on the estimated cost of foreign trade for Latin American and Caribbean countries, the text of which is contained in Annex IV. In response, the Chairmanship proposed that the project be discussed at the First Meeting of the Informal Working Group in 2016.
  - xi. The Permanent Secretariat should consider, for the purposes of studies it carries out, the incorporation of issues linked to climate change and sustainable development, as well as vulnerability to natural disasters, with special reference to Caribbean countries.
  - xii. The Permanent Secretariat should incorporate the issue of the budget by results methodology to the agenda of the First Meeting of the Informal Working Group in 2016.
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22. The delegation of Mexico proposed that the terms of reference for the studies are delivered sufficiently in advance, so that Member States could contribute to their definition.
  23. The delegation of Brazil requested the distribution of the document that it had forwarded to the Permanent Secretariat with a series of questions related to the Draft Work Programme and the document by which the Permanent Secretariat had responded to it.
  24. The Permanent Secretary thanked the delegations for their remarks and suggestions and referred to the following aspects:
    - i. As regards the estimated impact of the studies conducted by SELA, there is a delay between the response of the recipient and any relevant decision taken from such studies. Thus, registering the results of a study is a difficult task and, to that end, it is essential to have a perception of the contents of the studies, because the recipient is in a better position to assess them, as was the case of Uruguay with the Index of public policies for SMEs in Latin America and the Caribbean (IPPALC).
    - ii. The studies prepared by the Permanent Secretariat are carefully selected and aimed at focusing on critical elements and issues of the various integration schemes. Therefore, they do not entail risk of thematic dispersion or duplication of efforts with other organizations.
    - iii. He said that the Permanent Secretariat will devote greater attention to the Area III of the Work Programme concerning extra-regional negotiations and to the budget of the SELA-SMEs Programme.
    - iv. He considered the study on intellectual property to be very relevant. For that reason, it will be consulted with the Member States.
    - v. It is necessary to address the issue of productive trap and middle-income trap in order to identify measures to overcome them.
    - vi. As regards the Integration Index, he said that there is no strong methodology to quantify improvements in integration processes in the region. Thus, the development of this activity is essential for the Member States.
  25. The Chairman considered it advisable for the Informal Working Group to consider the terms of reference of the studies conducted by the Permanent Secretariat.
  26. The delegation of Jamaica stressed the need for the studies developed by the Permanent Secretariat to be aimed at overcoming the barriers that hinder the integration process in Latin America and the Caribbean.

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27. Since no more remarks were made, the Chairman declared the Work Programme of the Permanent Secretariat for the year 2016 approved and, in this connection, the Council adopted Decision N° 551, "Work Programme of the Permanent Secretariat for the year 2016."

### **ITEM IV. ADMINISTRATIVE BUDGET OF THE PERMANENT SECRETARIAT FOR THE YEAR 2016 AND ADMINISTRATIVE MATTERS**

#### **1. Budget**

28. The Permanent Secretariat submitted for consideration by the delegations the "Draft Administrative Budget of the Permanent Secretariat for the year 2016 (SP/CL/XLI.O/DT N° 5-15), together with its corresponding presentation. The Budget, which maintains the same amount and structure of income and expenses as that of the year 2015, was submitted for consideration, and in this connection the Council approved Decision No. 552 "Administrative Budget of the Permanent Secretariat for the year 2016". In addition, the Council adopted Decision No. 557, "Budget Process of SELA."

The delegates congratulated the Permanent Secretariat on the presentation of the Draft Budget for the year 2016 and underlined the following aspects:

- i. The advisability for the budget to be prepared on the basis of the respective Work Programme and to respond to a strategic planning that reflects the needs and interests of Member States.
- ii. More detailed information on the funding granted by CAF-development bank of Latin America and the indirect costs assumed by the Permanent Secretariat for the activity concerning Digital and Collaborative Ports
- iii. Information on the debt of the Permanent Secretariat with Banco Industrial de Venezuela
- iv. An explanation about the reduction of projected expenses for the organization of the next Regular Meeting of the Latin American Council.
- v. Update of outstanding quotas.

#### **2. Administrative Matters**

##### **2.1 Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2014**

29. The Permanent Secretariat submitted for consideration by the delegates the Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2014 (SP/CL/XLI.O/DT N° 6-15). In this connection, the Council approved Decision No. 553, "Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2014."

##### **2.2. Audit Proposal for the year 2015**

30. The Permanent Secretariat submitted for consideration by the delegates the Audit Proposal for the year 2015 (SP/CL/XLI.O/DT N° 7-15), which was approved. In this regard, the Council adopted Decision No. 554, "Designation of Auditors for the year 2015."

**ITEM V: INSTITUTIONAL MATTERS****Designation of a Member of the Administrative Tribunal of SELA**

31. The Permanent Secretariat submitted for consideration by the delegations the document "Designation of a Member of the Administrative Tribunal of SELA" (SP/CL/XLI.O/DT N° 8-15). In this connection, the Council designated Mrs Patricia Sobión, from Trinidad and Tobago, as a member of the Administrative Tribunal and adopted Decision No. 555 "Designation of a Member of the Administrative Tribunal of SELA".
32. The delegation of Trinidad and Tobago thanked the Latin American Council for the designation of Mrs Patricia Sobión as a member of the Administrative Tribunal of SELA.

**Entrusting the signing of agreements with organizations and institutions outside the region**

33. In order to strengthen the economic relations of Latin America and the Caribbean with other mechanisms and regional integration blocs, a debate took place among participants and, as result, the Latin American Council adopted Decision No. 558 "Entrusting the signing of agreements with organizations and institutions outside the region."

**Rules of procedure applicable to SELA meetings**

34. Given the increasing importance of preserving and expanding coordination between the Member States and the Permanent Secretariat for promoting the strategic objectives of SELA and the regional integration of Latin America and the Caribbean, the Latin American Council adopted Decision No. 556 "Rules of procedure applicable to SELA meetings."

**ITEM VI: OTHER MATTERS****Declaration "Ending the economic, commercial and financial blockade imposed by the United States against Cuba"**

35. The delegation of Ecuador proposed the declaration "Ending the economic, commercial and financial blockade imposed by the United States against Cuba," which was adopted by acclamation. In this connection, the delegations expressed their wish that this is the last time it is necessary to issue such a declaration.
36. The Latin American Council highlighted the importance of the XL Anniversary of SELA for Latin America and the Caribbean. In this connection, the delegations considered it advisable to reflect on the future of the organization and its role in the economic development of the Member States. In addition, the Council congratulated the Permanent Secretary and the staff of the Permanent Secretariat on the work carried out in compliance with mandates by the Latin American Council.
37. The delegations supported the proposal made by the delegation of Ecuador, supported by the delegation of Argentina, for the Latin American Council to consider the issue of the Malvinas Islands at its forthcoming meetings.
38. The delegation of Argentina thanked the other delegations for their demonstrations of support.

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39. The delegation of Uruguay, speaking on behalf of the Pro Tempore Presidency of UNASUR, expressed the position of his country on the recent events occurred in the context of the election campaign underway in the Bolivarian Republic of Venezuela.

**ITEM VII. FORUM: "Status of the Integration Process in Latin America and the Caribbean"**

40. The Permanent Secretary, Ambassador Roberto Guarnieri, welcomed participants in the Forum, emphasizing the importance of research on the status of the regional integration process and adding that, precisely, the objective is to take an updated look at this process in Latin America and the Caribbean. Then, he introduced the speakers: Mrs Karla Sánchez, from the Direction of Studies and Proposals of SELA, and Mrs Ankie Scott-Joseph, from the Department de Economy of Cave Hill Campus, of the University of the West Indies, Jamaica.
41. Next, Mrs Sánchez made a presentation on the study "Status of the integration process in Latin America and the Caribbean", in which she referred to the stages and the achievements of integration processes, making emphasis on the evolution of trade flows and logistic infrastructure and regional flows of foreign direct investment (FDI), as well as migratory movements. Among the most relevant conclusions of the study, Mrs Sánchez noted that the figures by integration mechanism reveal a significantly mixed picture, so it is necessary to make efforts in the area of diversification of exports in order to increase regional productive complementarity. In addition, she said that the development of logistic infrastructure would facilitate and would make more efficient the distribution of goods in the region. Thus, she added, to the extent that connectivity of the economies improves, the costs of marketing goods and services can decrease, thereby achieving greater competitiveness of markets and stimulating intra-regional trade.

As for the integration mechanisms covered in the study (SICA, CARICOM, CAN, MERCOSUR and PA), she said that they show significant progress in eliminating tariff barriers. Thus, the phase of integration of a Free Trade Area seems to have been reached in parallel, along with the existence of integration mechanisms that are in the phase of developing what would be a Customs Union and a full Common Market, Mrs Sánchez added.

42. Immediately afterwards, Mrs Ankie Scott-Joseph made a dissertation entitled "Status of the Integration Process in Latin America and the Caribbean – The Caribbean Viewpoint", summarizing the progress of the integration process in the Caribbean Community (CARICOM), whose development, she explained, is based on the following key elements: Free movement of goods, services and people; free movement of capital, and property rights. Out of those elements, she noted, the encouragement of free movement of people has been the greatest success of CARICOM, even though the strong presence of organized crime represents a barrier to free migration flows. She also underscored as an achievement the existence of the Caribbean Court of Justice which, she added, has helped create a favourable institutional framework for the subregional integration process, and is also an expression of the achievements in the process towards harmonization of regulatory frameworks.

Mrs Scott-Joseph said that CARICOM countries have managed integration from several points of view, with the main ones being trade and migration, as well as their entry into ALBA-TCP and UNASUR.

Among the challenges faced by the integration process of the Caribbean Community, Mrs Scott-Joseph highlighted the following: i) Overcoming low FDI levels; ii) Reducing the levels

of debt and fiscal deficit; iii) Making a better use of renewable energy sources; iv) Reducing high levels of unemployment; v) Improving the structure of the financial market; vi) Outlining public policies to encourage the development of national human talent and discourage their emigration; and vii) Reducing the vulnerability to natural disasters.

43. Then, Mr Ramiro León, Specialist of the Direction of Economic Policy with Latin America and the Caribbean of the Ministry of Foreign Trade and Foreign Investment of the Republic of Cuba, took the floor and explained the origin and evolution of integration processes in Latin America and the Caribbean. He stressed that economic integration is a process of growing interconnection of national economies that arises from the reduction or elimination of obstacles preventing the development of mutual ties, in order to achieve joint benefits, depending on the interests of economic operators.

He emphasized the role of the State in integration processes, pointing out that regional integration is not possible if political, economic and social measures are not taken to support this process. In addition, he referred to the fact that severe asymmetries remain in the region which affect the integration process.

Among the challenges for the region in terms of integration, he underscored the following: attach priority to participation by regional and subregional organizations, working quickly on short, medium and long-term coordination, cooperation and economic complementation for achieving and deepening the economic, social and political objectives they promote; maintain the dialogue and exchange accomplished at CELAC Summits, as a mechanism for integration of projects to be jointly developed; and support the actions of SELA, as a forum for coordination and consultation on economic and social issues and a major support to the establishment of the five large blocs that articulate CELAC. Finally, he stressed the importance of civil society in integration processes.

44. Then, the Permanent Secretary stressed the usefulness and importance of presented documents, basically for Governments, but also for specialists and scholars concerned with the development and growth of Latin America and the Caribbean. He highlighted the problems of transport, natural resources and the severe financial difficulties that affect the Caribbean countries, as well as their vulnerability to natural disasters and the effects of their heavy debt burden. He said that efforts should be made by Latin American and Caribbean financial organizations to support the subregion and help it reduce its debt levels. He added that the Permanent Secretariat of SELA is aware of the problems faced by Caribbean countries and is prepared to do everything possible to support their requirements.
45. Finally, the Chairman gave the floor to delegations so that they could express their views on the statements made and the ideas put forward by the speakers. The delegates highlighted the following aspects:
- i. The need to include migration flows in the studies conducted by SELA, as they are a fundamental factor for the development of integration processes in Latin America and the Caribbean. In this regard, participants referred to the bilateral policy undertaken by Brazil and Uruguay, aimed at facilitating the free movement of persons.
  - ii. The importance of heterogeneity as a concrete reality that characterizes the regional integration processes.
  - iii. The need for SELA to focus its research on such topics as climate change, natural disasters, regional interconnection, gender equality, health care costs, vulnerabilities of the region, innovation, technology components of the production activity and productive linkages.

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- iv. The importance of national and regional institutions and the management capacity of Governments. In this connection, the representative of the Latin American Centre for Development Administration (CLAD) raised this organization's willingness to work jointly with SELA on the designated themes.
- v. Trade facilitation addressed from the perspective of the citizen, rather than from the perspective of exchange of goods.
- vi. The social impact of FDI in the region.

### CLOSING SESSION

46. The Permanent Secretary stressed the importance of the work by the Permanent Secretariat in complying with the Work Programme for the year 2015, the support received from the Member States in the development of activities and the efforts made by the staff of the Permanent Secretariat. He appreciated the role and dedication of the Bureau, in particular of the Chairman, during the Meeting. He considered this XLI Regular Meeting of the Latin American Council memorable, since it made it possible to project the organization, not only towards the consideration of difficulties currently faced by the Member States, but also of important suggestions for future actions that should be taken by the region.
47. The Chairman highlighted and welcomed the presence of the Honourable Alexander Yáñez Deleuze, Vice-Minister for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, at the inauguration of the Ministerial Stage on 26 November. He conveyed the deepest recognition of all delegations and the Chair of the Latin American Council to the Vice-Minister, through the delegation of Venezuela, as a high authority of the Venezuelan Foreign Ministry and representative of a country which is both the venue for the meeting and the host country of SELA.

In addition, he stressed the importance and welcomed the presence of the Vice-Minister of International Trade and Integration of the Plurinational State of Bolivia, Honourable Clarems Endara Vera, and invited him to deliver a brief speech. For his part, Vice-Minister Endara Vera said that he did not know any integration forum with such an effective and pleasant dialogue as SELA, which, in his opinion, facilitates the achievement of goals. Then, he stressed the need for the Permanent Secretariat to work more intensively with the capital cities of the Member States, in order to increase the effectiveness of the activities of SELA aimed at deepening the integration process in Latin America and the Caribbean. It is equally necessary that the authorities in the respective capital cities are more aware of the integration process. Finally, he offered his Government's support to the efforts towards achieving greater effectiveness in the activities of the organization.

Finally, the Chairman praised the contributions made by the delegations and the Decisions taken. He thanked the delegates for their outstanding participation during the meeting, and congratulated and thanked the Permanent Secretary of SELA, Ambassador Roberto Guarnieri, and the staff of the Permanent Secretariat for their work, efforts, speed, professionalism, and increased understanding. He added that the life of SELA depends on an honest, open, fluid and strategic dialogue. As he said these words, he closed the XLI Regular Meeting of the Latin American Council.

**B. DECISIONS**



**DECISION N° 551****WORK PROGRAMME OF THE PERMANENT SECRETARIAT FOR THE YEAR 2016****THE LATIN AMERICAN COUNCIL,****HAVING SEEN:**

Article 5, paragraph 2, of the Panama Convention;

Article 15, paragraph 6, of the Panama Convention, and

The document "Draft Work Programme for the year 2016" (SP/CL/XLI.O/DT N° 4-15).

**CONSIDERING:**

The contents and spirit of Decision N° 440, adopted by the Latin American Council at its XXVIII Regular Meeting, held in Caracas in April 2003;

The work carried out by the Permanent Secretariat of SELA during this year, in compliance with Decision No. 546 of the Latin American Council, regarding the Work Programme for the year 2015;

The scope of Decisions N° 527 and 539 regarding the technical support that the Permanent Secretariat should provide to the Work Programme of the Community of Latin American and Caribbean States (CELAC),

**DECIDES:**

Article 1: To approve the Work Programme of the Permanent Secretariat of SELA for the year 2016, taking into account the debates carried out during the Council Meeting, as reflected in the Report.

Article 2: In carrying out the various activities foreseen in its Work Programme, the Permanent Secretariat of SELA will keep regular contact with the members of the Bureau of the Latin American Council and the other representatives of the Member States.



## FOREWORD

The Work Programme of the Permanent Secretariat for the year 2016 follows the guidelines established by the XXVIII Latin American Council, through Decision N° 440, according to which the activities are structured in three areas: Intra-Regional Relations, Economic and Technical Cooperation, and Extra-Regional Relations.

It must be noted that the Work Programme for the year 2016, as set forth in Decision 527, adopted in 2011 by the XXXVII Latin American Council, attaches priority to the link that must be kept between the Permanent Secretariat of SELA and the process of the Community of Latin American and Caribbean States (CELAC), particularly with respect to contributing to the fulfilment of the Caracas Action Plan 2012 and the subsequent mandates and recommendations adopted within the framework of CELAC.

The Work Programme for the year 2016 is designed in accordance with the regular budget of the Permanent Secretariat for this administrative period (SP/CL/XLII.O/DT N° 5-15), in terms of the costs indicated therein, particularly without increasing the annual quotas of the Member States. However, it does foresee supplementary financing through technical cooperation agreements with international and regional institutions. The detailed direct costs for each of the three areas and their corresponding projects can be seen in the chapter "Budget for the Work Programme 2015" of the aforementioned document.

In implementing the Work Programme for the year 2016, the Permanent Secretariat intends to continue ensuring communication, cooperation, coordination, complementarity and synergy with the other regional organizations and mechanisms referred to in the Caracas Declaration of CELAC, and particularly, to lend its cooperation and support to the Pro Tempore Presidency of CELAC, insofar as it is required.

The Work Programme for the year 2016 foresees 21 studies and 18 meetings of diverse nature and coverage, seven of which correspond to courses and seminars of the SELA-SMEs Programme. It also includes 15 workshops to move ahead with technical collaboration activities with port communities linked to Project on Digital and Collaborative Ports, being conducted under the Technical Cooperation Agreement signed with CAF-development bank of Latin America. Furthermore, 74% of the studies are expected to be carried out internally and the rest by resorting to external consultants on the basis of the terms of reference drafted by the Permanent Secretariat.

## INTRODUCTION

In its tireless efforts to promote regional integration, the Latin American and Caribbean Economic System (SELA) undertakes a series of multidimensional activities in order to identify key strengths and challenges to achieve higher levels of coordination and cooperation, and establish joint working agendas to promote productive development and economic growth in the region.

The Work Programme for 2016, in accordance with Decision N° 440 of the Latin American Council (2003), focuses its actions on three fundamental areas: Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations.

The area of Intra-Regional Relations comprises three programmes: i) Integration process and economic growth in Latin America and the Caribbean, ii) Trade facilitation, and iii) Information and Communications Technologies (ICTs) and knowledge society.

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The first programme includes three lines of research related to the analysis of the productive structures, productive and industrial development and the assessment of the regional integration process. The study of these issues allows for recognizing achievements in the field of productive transformation and their impact on the deepening and diversification of intra-regional economic relations, with the purpose of promoting Latin American and Caribbean integration.

In this connection, the structural characteristics of foreign trade in the region's economies are evaluated in order to identify those countries that have fallen in the production and middle income trap. Additionally, by using robust quantitative techniques, a proposal is made to develop a methodology that allows for quantifying the current status and progress of the integration process in Latin America and the Caribbean.

Also, in compliance with the mandate of CELAC and according to the purpose of SELA to promote productive transformation in the region, the Permanent Secretariat intends to organize a Regional Meeting of Business Organisations on Productive and Industrial Development in Latin America and the Caribbean, as a follow-up to the First Ministerial Conference on Productive and Industrial Development and the Meeting of Business Organizations on Productive and Industrial Development of Latin America and the Caribbean, both held in Costa Rica in 2014. The results of this activity are proposed as a basis for holding a second Regional Meeting to facilitate a private-public rendezvous for exchanging views and proposals on productive and industrial development in Latin America and the Caribbean.

The second programme of the area of Intra-Regional Relations, Trade Facilitation, includes the conduction of the VIII Regional Meeting on International Trade Single Windows, as well as the continuation of the Programme for the creation of the Latin American and Caribbean Network of Digital Ports.

The Programme on Information and Communication Technologies and knowledge society focuses on the administration and maintenance of specialized portals on SELA's Web site. Another high-impact activity included in this programme is the development of an interactive system for managing data bases and economic statistics with the purpose of improving the dissemination of relevant information on the regional integration process.

The area of Economic and Technical Cooperation highlights the conduction of the XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean, aimed at promoting greater cooperation in the areas of science, technology and innovation in the region. In addition, this area includes the Regional Meeting on Partnerships between the Public and Private Sector for Disaster Risk Reduction and the VI Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean.

In turn, in 2016, the SELA-SMEs Programme will continue to hold seminars and training courses to foster competitiveness, productivity and the generation of public policy recommendations to promote and support small and medium-sized enterprises. Additionally, the Permanent Secretariat has proposed to strengthen the methodological framework of the Index of Public Policies for SMEs, started under the Work Programme for the year 2015.

Finally, the area of Extra-Regional Relations, whose main objective is to strengthen the economic relations of the region with other economic blocs, foresees the monitoring and analysis of the new agreements that have emerged within the global economic context and their impact on the economic dynamics of the region. Specifically, this Work Programme focuses on the Trans-Pacific

Strategic Economic Partnership Agreement and the Transatlantic Trade and Investment Partnership.

The Work Programme for 2016 includes 21 studies and 18 meetings at different levels, aimed at achieving higher levels of coordination, cooperation and articulation for strengthening the Latin American and Caribbean integration process. Through the conduction of studies with a rigorous foundation and a methodology based on quantitative techniques, and the organization of meetings on cutting-edge topics, SELA honours its commitment to contributing to the optimization of the decision-making process for the development of the region.

### **BACKGROUND: WORK PROGRAMME FOR THE YEAR 2015**

The Permanent Secretariat of SELA submit herewith its Thirty-Ninth Annual Report of Activities, for the period from October 2014 to October 2015. The Report informs about the implementation status of the Work Programme for the year 2015, adopted by the Latin American Council by Decision No. 546, as well as other tasks and activities carried out by the organization in compliance with its institutional responsibilities.

The Latin American and Caribbean Economic System (SELA) carried out a series of multidimensional activities during 2015, including meetings, seminars, studies and distance learning courses. The primary objective of the Work Programme for 2015 was to strengthen the integration process in Latin America and the Caribbean by identifying strengths and opportunities for higher levels of articulation, cooperation and convergence among Member States.

The Work Programme for 2015 consisted of three main areas of study: Intra-Regional Relations, Economic and Technical Cooperation and Extra-Regional Relations. Each of them addressed issues of vital importance to the region, which allowed for compliance with the work of SELA as promoter of Latin American cooperation and integration.

In the area of Intra-Regional Relations, the Permanent Secretariat prepared documents that helped identify the achievements made, mainly in the field of trade in the region's countries. In this regard, the Permanent Secretariat attached special importance to Central American and Caribbean nations with the aim of promoting, expanding and diversifying trade between these subregions and the rest of Latin America and the Caribbean. In addition, the organization prepared follow-up reports on subregional integration mechanisms, which identified advances in specific areas as a result of greater regional cooperation and coordination, but several major challenges remain and are hindering efforts to achieve higher levels of integration.

SELA continued to provide the necessary technical assistance to facilitate trade among its member countries. In this connection, it organized the VII Latin American and Caribbean Regional Meeting on International Trade Single Windows, which enabled the dissemination of best practices in this field on the basis of criteria of operability, efficiency, compatibility, and security, with the aim of promoting trade among its Member States.

In addition, the Permanent Secretariat developed the Programme for the creation of the Latin American and Caribbean Network of Digital and Collaborative Ports, launched in 2014 and whose purpose is to deepen and expand the collaborative activities of countries and port communities. In 2015, the Programme included 9 countries and 15 port communities. For the development of this activity, the Permanent Secretariat receives a significant financial support, through a Technical Cooperation Agreement, from CAF-development bank of Latin America.

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SELA, the Association of Caribbean States and UNCTAD organized a distance learning course on the legal aspects of electronic commerce for the Caribbean subregion. This activity aimed to build capacities of government officials responsible for developing the national regulatory frameworks in the area of ICTs, encourage their use and identify priority areas to implement the necessary reforms in the field of electronic transactions, privacy and data protection, and intellectual property rights.

In the area of Economic and Technical Cooperation, meetings on different topics were held, including the Regional Meeting on partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean, which was supported by the United Nations Office for Disaster Risk Reduction (UN/ISDR). In addition, the Permanent Secretariat conducted the XXVI Meeting of International Cooperation Directors for Latin America and the Caribbean, whose central topic was "Port cooperation in Latin America and the Caribbean: Digital ports. Status and prospects."

As regards the SELA-SMEs Programme, the Permanent Secretariat continued to develop activities that promote the participation and performance of small and medium-sized enterprises at the regional level. In addition, it prepared a document entitled "Methodological considerations for developing an Index of Public Policies for SMEs in Latin America and the Caribbean," which was presented at the Regional Meeting on Public Policies for the Promotion and Support of SMEs in April 2015 in Cartagena de Indias, Colombia. In this event, the Government of Uruguay invited the Permanent Secretariat to expound on the Index in Montevideo, with a view to implementing it in that country.

Afterwards, in June 2015, the Government of Uruguay, through the Ministry of Industry, Energy and Mining, requested the Permanent Secretariat to provide technical support in the design and implementation of an index of public policies for SMEs, whereas CAF-development bank of Latin America will finance the project.

Finally, in the area of Extra-Regional Relations, the Permanent Secretariat focused its efforts on strengthening economic relations between the region and other economic blocs. To that end, it prepared studies that highlight the opportunities for Latin America and the Caribbean in the areas of trade, investment and cooperation with the ASEAN, the Arab world and the European Union. In addition, SELA organized the Regional Seminar on economic and financial relations between Latin America and the Caribbean and the BRICS Group, which enabled participants to identify opportunities that the new Development Bank of the BRICS Group could offer to the countries in the region.

The Permanent Secretariat, through the activities developed in the Work Programme for 2015, met its commitments to contribute to the strengthening of the Latin American and Caribbean integration process, providing the Member States with the necessary tools to facilitate decision-making for the development of the region.

**AREA I. INTRA-REGIONAL RELATIONS**

**PROGRAMME: INTEGRATION PROCESS AND ECONOMIC GROWTH IN LATIN AMERICA AND THE CARIBBEAN**

**PROJECT I.1. Analysis of productive structures and economic growth in the region**

**Activity I.1.1. Evaluation of structural characteristics of the international trade in goods in Latin America and the Caribbean**

**A. Background and justification**

During the last few years, the Permanent Secretariat of SELA has promoted the preparation of studies that delve into the historical evolution of international trade in Latin America and the Caribbean. In this connection, the organization has identified some areas in which the region should make efforts to promote its commercial dynamism and improve the performance of intra-regional trade.

On this occasion, the Permanent Secretariat is scheduled to prepare a study that evaluates the structural characteristics of international trade in the region, transcending temporal analysis and incorporating variables and indicators that provide information on the most dynamic economic sectors, and the influence of greater productive and export diversification in the levels of productivity and insertion into international markets.

To that end, an evaluation will be made of the positioning of the region in terms of complementarity, specialization and diversification of trade compared to the rest of the world, as well as the behaviour of the integration mechanisms, according to a disaggregation of data by member countries, for the period 1995-2013.

**B. Objectives**

1. Analyze the structural characteristics of international trade in Latin America and the Caribbean, emphasizing, in addition to its evolution over time, the economic sectors and regions with greater dynamism.
2. Identify the influence of the productive and export diversification in productivity levels and insertion of Latin America and the Caribbean into international markets.
3. Study the positioning of the region in terms of productive and trade diversification and complementarity with respect to other regions with greater relative economic development.

**C. Expected results**

A baseline study on the evolution of the export structure of Latin America and the Caribbean and its impact on the region's productivity levels and insertion into international markets. This study is expected to encourage the generation of working papers, focused on the identification and analysis of the region's opportunities and challenges in terms of productive diversification and structural changes, in a constantly changing global economic stage. In addition, a framework of policy recommendations will be generated to boost the productive transformation of the region.

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### D. Activities and schedule

| Activities                                  | Date          |
|---|---------------|
| Drafting and approval of terms of reference | December      |
| Preparation of the study                    | January-March |
| Translation and publication                 | April         |

### Activity I.1.2. Production trap and middle-income trap in Latin America and the Caribbean

#### A. Background and justification

In general terms, Latin American and Caribbean nations seem to be going through what the economic theory calls "middle-income trap," a situation in which economies fail to grow at sufficiently accelerated rates to exceed a certain income threshold in a given period. In this connection, the middle-income trap is not a mere theoretical curiosity; in a deeply interconnected and changing world, economies that do not manage to overcome this situation tend to lag behind and lose important opportunities for the development of their peoples.

The middle-income trap is usually associated to the prevalence of certain productive patterns, which hardly contributes to growth in per capita income. Modern economic theory labels the set of such factors as "production trap." In broad terms, countries that export a low amount of goods and services which – due to their little technological sophistication – lots of countries can produce and trade are often found in such production trap.

In this regard, it is necessary to move towards the production of goods and services of high technological sophistication, high added value, little ubiquity and high interconnection, so that the region can overcome the production trap and be able to grow faster in the coming years, as possibilities are provided for the region to raise its income levels.

#### B. Objectives

1. Based on the empirical criteria established by the economic theory, identify countries in the region going through the middle-income trap.
2. Analyze the performance of exports of the countries in the region in terms of diversification, built-in technological content, homogeneity, ubiquity, connectivity and path, in order to identify nations going through the production trap.
3. Recognize the countries in the region that are involved in both situations, middle-income and production traps.
4. Evaluate the main opportunities and challenges for the countries in the region to overcome both middle-income and production traps.
5. Present policy recommendations to promote the transformation of the productive structures of the region in order to abandon both middle-income and production traps.

#### C. Expected results

A pioneering document in the analysis of both middle-income and production traps in Latin American and Caribbean countries.

**D. Activities and schedule**

| <b>Activities</b>                           | <b>Date</b>         |
|---|---------------------|
| Drafting and approval of terms of reference | June                |
| Preparation of the study                    | July-September      |
| Translation and publication                 | October             |
| Regional Meeting                            | October - Argentina |

**Activity I.1.3. Frameworks for the protection of intellectual property rights in Latin America and the Caribbean: Accelerators or brakes for the productive transformation of the region?**

**A. Background and justification**

One of the fundamental aspects for the creation of value through innovation of productive and management processes is the creation of endogenous technologies, as well as adaptation of external technologies. To that end, an essential element is the framework for the protection of intellectual property rights (IPR).

It should be noted that a very lax IPR framework may reduce the incentives for companies to invest in the improvement of production processes, decreasing the rate of technological transformation of nations. On the contrary, a very strict IPR framework would limit the potential for innovation, reducing the dissemination of knowledge and the indirect transfer of technology, while mitigating the positive external effects associated with innovative processes.

In this connection, understanding how adapted IPR frameworks of Latin America and the Caribbean are to the modern economic dynamics is a necessity for the creation of a productive and exporting region.

**B. Objectives**

1. Review in detail existing IPR frameworks in Latin America and the Caribbean and analyze their strengths and weaknesses in terms of their function as promoters of the productive transformation of the region.
2. Evaluate international IPR frameworks and initiatives aimed at harmonizing regulations of subregional integration mechanisms in Latin America and the Caribbean.
3. Compare the IPR frameworks in the region with the best practices in the matter at the global level

**C. Expected results**

An analytical document aimed at assessing the status of IPRs in the region.

**D. Activities and schedule**

| <b>Activities</b>              | <b>Date</b> |
|--------------------------------|-------------|
| Drafting of terms of reference | April       |
| Preparation of the study       | July        |
| Translation and publication    | August      |

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### PROJECT I.2. Assessment of Latin American and Caribbean integration processes

#### Activity I.2.1. Assessment of asymmetries in Latin America and the Caribbean and their impact on subregional integration processes

##### A. Background and justification

The issue of asymmetries has been dealt with consistently in studies on international trade, trade negotiations and integration processes. In this connection, it is said that existing asymmetries among Latin American and Caribbean nations represent an obstacle in the path towards subregional integration.

Although there is a substantial literature on the treatment of asymmetries, there is no detailed and comprehensive review of concepts and typologies. Therefore, SELA proposes the preparation of a study containing a classification of the top asymmetries in the region that may serve as a reference for the design of precise and effective action plans for their mitigation.

##### B. Objectives

1. Identify and generate concepts of asymmetries, based on a multidimensional view that incorporates economic, geographic, demographic and social aspects.
2. Assess asymmetries prevailing in the region with the available statistical information.
3. Identify the impact of asymmetries observed on subregional integration processes in Latin America and the Caribbean.

##### C. Expected results

A conceptual document aimed at identifying existing asymmetries among countries and their impact on advances in subregional integration processes.

##### D. Activities and schedule

| Activities                     | Date          |
|--------------------------------|---------------|
| Drafting of terms of reference | January       |
| Preparation of the study       | January-March |
| Translation and publication    | April         |

#### Activity I.2.2. Integration Index of Latin America and the Caribbean

##### A. Background and justification

For the analysis of the Latin American and Caribbean integration process, the Permanent Secretariat of SELA has promoted the preparation of studies on the progress of subregional integration mechanisms in the field of trade, institutions and evolution of economic and social indicators. Specifically, the Work Programmes for 2014 and 2015 included some research papers on the status of integration processes, as well as the main challenges and opportunities for greater regional articulation.

In this context, the construction of indicators arises as an option to assess the status and progress (performing updates over time) of Latin American and Caribbean subregional integration processes, according to the dimensions of integration identified by the economic theory. To that end, SELA will develop a methodology to quantify each of the considered dimensions and provide them with a weighting within a general indicator called Integration Index of Latin America and the Caribbean (IILAC).

Some of the areas to be addressed are the following: trade among mechanisms, flows of foreign direct investment, international infrastructure and logistics, remittances, mobility of factors, harmonization of economic policies, institutional framework and performance of the major macroeconomic variables (GDP, inflation, unemployment, exchange rate, debt).

## **B. Objectives**

1. Build a periodically updated indicator to assess the behaviour of subregional mechanisms at the different stages of integration identified in economic theory.
2. Identify and describe the phases of integration in which each subregional integration mechanism is located.
3. Assess the opportunities and challenges for subregional mechanisms in the evolution of their integration processes.

## **C. Expected results**

An analytical document aimed at developing SELA's methodology for the construction of indicators that facilitate the assessment and monitoring of regional integration processes in the dimensions established by economic theory. The final product of this document will be a periodically updated indicator.

## **D. Activities and schedule**

| <b>Activities</b>              | <b>Date</b>     |
|--------------------------------|-----------------|
| Drafting of terms of reference | March           |
| Preparation of the study       | April-June      |
| Translation and publication    | July            |
| Regional Meeting               | August - Mexico |

### **Activity I.2.3. Assessment of convergence in the dynamics of the main macroeconomic variables of Latin American and Caribbean countries**

#### **A. Background and justification**

This research is expected to assess decision-making systems in economic policy, as well as the evolution of the main macroeconomic variables of Latin America and the Caribbean (including: GDP, inflation, debt, real exchange rate) and prove - or reject - the existence of convergence in such variables among the countries of the region.

The document will be based on the traditional instruments for the assessment of convergence of macroeconomic variables. In particular, an assessment will be made of nominal convergence (beta convergence), as well as convergence in volatility of variables under review (sigma convergence)

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and conditional convergence (that of each nation to its long-run level). In addition, the study will incorporate modern criteria into the evaluation of convergence; in particular, it aims to analyze the convergence of export structures in the region and its consequences on the convergence of growth rates of Latin American and Caribbean nations.

### B. Objectives

1. Evaluate the performance of the main macroeconomic variables of the countries in the region, in search of patterns of convergence in their performance.
2. From an empirical point of view, study the existence of statistically significant differences in the convergence of macroeconomic variables among the nations of a single subregional integration mechanism and the rest of Latin American and Caribbean nations.
3. Identify the existence of "groups of convergence" in the region, defined as specific spaces in which a strong convergence is evidenced among nations, regardless of the subregional integration mechanism to which they belong.
4. Identify the degree of harmonisation of economic decision-making systems in the region and their potential to improve the economic performance of Latin America and the Caribbean.

### C. Expected results

An analytical document based on the objectives established, which will serve as a reference for decision-makers in the region.

### D. Activities and schedule

| Activities                     | Date           |
|--------------------------------|----------------|
| Drafting of terms of reference | July           |
| Preparation of the study       | August-October |
| Translation and publication    | November       |

#### Activity I.2.4. External vulnerability in Latin American and Caribbean countries

##### A. Background and justification

The global economy does not seem to have escaped completely from the effects of the financial crisis of 2008. Proof of this is the fledgling and uneven growth recorded by developed economies in recent years, as well as the slowdown in emerging economies – particularly in the Chinese economy – and the high fiscal instability prevailing in some nations of the euro zone, representing significant challenges for the development of a more robust integration process.

In an unfavourable global context, it is important to assess the vulnerability of the region to shocks from external source. In this sense, a proposal is made to conduct a study that identifies the strengths and weaknesses of the main subregional integration mechanisms (AP, CAN, CARICOM, MERCOSUR and SICA) in an unfavourable external dynamics.

The study will focus on the use of parameters to identify the external vulnerability of the region, including: profiles of indebtedness; composition of debt; ratio of external debt, exports and GDP;

debt-tax revenue ratio; debt-international reserves ratio; reserves in months of import; soundness of the financial system and credit quality.

## **B. Objectives**

1. Generate a methodology that enables the countries of the region to identify early warning signs in response to changes in the dynamics of international markets that put their internal economic stability at risk.
2. Replicate the methodology for subsequent periods and incorporate the created indicators into the database of SELA, which will be updated periodically.
3. Produce aggregate indicators for subregional integration mechanisms that will enable their member countries to identify a profile of potential external challenges for the effective progress of integration processes in Latin America and the Caribbean.

## **C. Expected results**

An analytical document aimed at conducting a diagnostic study of the conditions and response capacity of the region to external shocks

## **D. Activities and schedule**

| <b>Activities</b>              | <b>Date</b>    |
|--------------------------------|----------------|
| Drafting of terms of reference | July           |
| Preparation of the study       | August-October |
| Translation and publication    | November       |

### **Activity I.2.5. Follow-up reports on subregional integration mechanisms**

#### **A. Background and justification**

Economic reports are useful documents that contain indicators that enable a detailed follow-up of the dynamics of countries and regions. In the absence of periodic studies on the economic performance of subregional integration mechanisms, SELA proposes the conduction of reports every four months to monitor events and more meaningful statistics in the context of integration mechanisms. Reports are aimed at decision-makers, diplomatic personnel and the general public.

The four-monthly frequency responds to the frequency of updates of the main economic indicators in the Central Banks of Latin American and Caribbean countries, as well as the frequency of updates of statistics by multilateral organizations.

#### **B. Objectives**

1. Prepare descriptive reports containing six sections, one for each subregional integration mechanism and a concluding section. The latter will include a regional analysis, as well as a review of events and relevant figures of other instruments for integration of Latin America and the Caribbean not included in the preceding chapters (for example, ALBA - TCP, UNASUR and Petrocaribe).
2. Upload the follow-up reports to SELA's electronic portal.

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### C. Expected results

Descriptive reports on the economic performance of subregional integration mechanisms that enable the reader to receive on a regular basis updated information on the regional dynamics and prospects. These reports will add value to the portfolio of SELA by enabling the Permanent Secretariat to expand its readership.

### D. Activities and schedule

| Activities                  | Date                   |
|-----------------------------|------------------------|
| Preparation of the study    | Four-monthly frequency |
| Translation and publication | Four-monthly frequency |

#### Activity I.2.6. Case studies for integration

##### A. Background and justification

Case studies for integration are designed as a complementary product to the portfolio of SELA. The structure of these case studies will enable the organization to deal with various issues and reach more easily the general public.

Case studies are drafted as short articles (around 2,500 words - 3 pages long), based on rigorous analysis, but written in a less academic tone.

These short reports aim to present different initiatives that may promote cooperation, coordination, articulation and convergence among nations and among integration mechanisms to decision-makers in the region.

Case studies will include information on the implementation of the various programmes, their preliminary results, main difficulties and challenges. In addition, the need and possibility of implementing similar initiatives in Latin America and the Caribbean will be assessed.

##### B. Objectives

1. Identify successful initiatives in promoting cooperation, coordination and articulation among nations and among subregional integration mechanisms.
2. Present to decision-makers a range of programmes, whose implementation or expansion may help strengthen the regional integration process.
3. Encourage the debate for the generation of innovative and high-impact initiatives to promote the integration of the region.

##### C. Expected results

Quarterly reports that describe successful initiatives in promoting cooperation, coordination and articulation among nations and among integration mechanisms, which may serve as a reference for making decisions that benefit the regional integration process.

**D. Activities and schedule**

| <b>Activities</b>           | <b>Date</b>         |
|-----------------------------|---------------------|
| Preparation of the study    | Quarterly frequency |
| Translation and publication | Quarterly frequency |

**Activity I.2.7. Report on the regional integration process****A. Background and justification**

Integration is a process that contributes to the acceleration in economic growth and social development, as it improves the allocation of resources, favours competition, encourages investment, and ultimately increases prospects for development of the member countries making up a trade bloc.

However, integration processes require countries to undertake a series of activities and commitments in a gradual and orderly manner. In this connection, it is necessary to undergo structural planning stages and phases, both at the national and international levels, which requires different periods of consolidation.

SELA is scheduled to prepare quarterly reports, which will focus on the assessment of case studies for the promotion of integration, and four-monthly reports, whose main purpose will be a detailed analysis of the regular progress of regional integration mechanisms. These regular bulletins will be characterized by a collection of notes and reviews on trade and international politics, similar to a quick guide on economic developments in the region.

In this connection, the Permanent Secretariat considers it of the utmost importance to develop a complementary document, which would offer a detailed analysis of the major trends, challenges and opportunities for greater integration in Latin America and the Caribbean, while compiling and highlighting the most relevant findings of regular reports.

**B. Objectives**

1. Carry out an annual report that compiles and complements the existing four-monthly and quarterly integration reports, which offer regular information in the short term. This report will be more extensive and will incorporate all the events occurred at the end of each year.
2. Provide an updated guide of the latest achievements in integration in the region, which will be useful for entities involved in decision-making within institutions run by integration mechanisms.
3. Encourage discussion within the framework of the integration forum, in order to generate ideas on the possibilities for the region to achieve greater integration.

**C. Expected results**

An annual report on the latest achievements in the integration process within the integration mechanisms.

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### D. Activities and schedule

| Activities                  | Date               |
|-----------------------------|--------------------|
| Preparation of study        | Annual publication |
| Translation and publication | Annual publication |

### PROJECT I.3. Productive and Industrial Development in Latin America and the Caribbean

#### Activity I.3.1. CELAC: Regional Meeting of business organizations on productive and industrial development in Latin America and the Caribbean

##### A. Background and justification

In the Plan of Action adopted by the II Summit of Heads of State and Government of the Community of Latin American and Caribbean States (CELAC), held in Havana, Cuba, on 28 and 29 January 2014, SELA was entrusted with the task of organizing, with the support of ECLAC and CAF-development bank of Latin America, "...a Regional Meeting of business organizations on productive and industrial development in Latin America and the Caribbean. The goal of this event was to encourage representatives of unions and the private sector in the region to incorporate their analysis and proposals into the process of creation of productive and industrial development strategies within the framework of CELAC, as well as to stimulate the investment institutions and development banks to adopt or expand the financing mechanisms for the development of infrastructure and investment related to productive integration programmes in the region".

This request was ratified at the VIII Meeting of National Coordinators of CELAC, held on 9 and 10 April 2014 in San José, Costa Rica. Under this mandate, a Meeting of High-Level Officials on Productive and Industrial Development in Latin America and the Caribbean had been held on 3 and 4 October 2013 at the headquarters of the Permanent Secretariat of SELA in Caracas, leading to important recommendations for the treatment of the subject in subsequent events.

In general terms, the Meeting of High-Level Officials served as a platform for discussion of strategies aimed at the productive transformation of Latin America and the Caribbean, among which were: promotion of investment, formation of regional value chains, supplier development, public sector support for technology adequacy, development of human capital, expansion and diversification of sources of financing, modernization of public procurement systems, tariff policy and trade facilitation.

A fundamental aspect of the meeting was the consensus reached on the need to strengthen partnerships between the public and private sectors in the region, in order to develop international industrial partnerships and foster the socially equitable and competitive industrial production in the region.

As a follow-up to the Meeting of High-Level Officials, a Meeting of Ministers of Industry and Economy of CELAC was held on 10 and 11 April 2014 in San José, Costa Rica, to deal with four central topics and adopt a Plan of Action. The issues addressed include: productive and industrial development policies, value chains and partnerships, employment and productivity, and sustainable production and energy.

## B. Objectives

This Regional Meeting of business organizations, development banks and investment promotion organizations has the following objectives:

1. Incorporate analyses and proposals of organizations and business representatives in the region into the design of strategies and policies for productive and industrial development.
2. Promote partnerships and formation of value chains, innovation and technology adequacy of production units in the region, and greater and better insertion in international markets.
3. Encourage public-private partnerships for the generation and implementation of initiatives that contribute to the productive and industrial development of the region.
4. Boost the adoption and expansion, by investment promotion agencies and development banks, of appropriate financing mechanisms for the development of infrastructure and investment related to programmes for productive integration in the region.

## C. Expected results

A document that compiles the remarks and proposals by private business organizations on productive and industrial development in Latin America and the Caribbean, in order to incorporate them into the process of creation of productive and industrial development strategies in the region.

## D. Activities and schedule

| Activities                                       | Date             |
|--|------------------|
| Extending invitations and organizing the meeting | February - March |
| Conducting the regional meeting                  | May              |
| Preparing and forwarding the document            | June             |

### Activity I.3.2. Regional Meeting on Productive and Industrial Development in Latin America and the Caribbean: Public and private sectors

#### A. Background and justification

In the Plan of Action adopted by the II Presidential Summit of CELAC, held in Havana, Cuba, on 28 and 29 January 2014, SELA was entrusted with the task of organizing, with the support of ECLAC and CAF-development bank of Latin America, a Regional Meeting of business organizations on productive and industrial development in Latin America and the Caribbean. The goal of this event was to encourage representatives of unions and the private sector in the region to incorporate their analysis and proposals into the process of creation of productive and industrial development strategies within the framework of CELAC, as well as to stimulate the investment institutions and development banks to adopt or expand the financing mechanisms for the development of infrastructure and investment related to productive integration programmes in the region.

This request was ratified at the VIII Meeting of National Coordinators of CELAC, held on 9 and 10 April 2014 in San José, Costa Rica. The next Regional Meeting, scheduled to take place with the collaboration of the Pro Tempore Presidency of CELAC in San José, Costa Rica, on 13 and 14 November 2014, was postponed after making the relevant consultations with the counterparts, taking into account the difficulties to ensure broad participation of the private business sector.

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The topics on the agenda for this event are the result of issues discussed at the Meeting of Ministers of Economy and Industries of CELAC, carried out by the Pro Tempore Presidency on 10 and 11 April 2014 in San José, Costa Rica. They include: productive and industrial development policies, value chains and partnerships, employment and productivity, and sustainable production and energy.

Against this background, the Permanent Secretariat of SELA will organize the Regional Meeting, which will bring together representatives of business organizations, authorities of public organizations related to productive development and officials of international organizations in order to exchange views and proposals from the presentations and conclusions of the two above-mentioned events.

### B. Objectives

1. Encourage dialogue between the public and private sectors in the drafting and implementation of industrial policies that contribute to the productive development of CELAC countries.
2. Promote a space for encounter between representatives of the public and private sectors in the region in the field of industrialization and development so that they can exchange ideas, proposals and experiences on the priority areas of the agenda for productive and industrial development in Latin America and the Caribbean.

### C. Expected results

1. Organize a Regional Meeting among representatives of the public and private sectors in the region to discuss aspects on productive and industrial development in Latin America and the Caribbean.
2. A document that compiles the conclusions and recommendations arising from the meetings on productive and industrial development conducted by the Permanent Secretariat.
3. Discuss proposals and recommendations for a regional policy on industrial and productive development.

### D. Activities and schedule

| Activities                                       | Date          |
|--|---------------|
| Extending invitations and organizing the meeting | July - August |
| Preparing the document                           | June          |
| Conducting the meeting                           | October       |

**PROGRAMME: TRADE FACILITATION****PROJECT I.4. Regional Meetings on International Trade Single Windows****Activity I.4.1. VIII Latin American and Caribbean Regional Meeting on International Trade Single Windows****A. Background and justification**

The International Trade Single Windows are strategic tools to facilitate trade and promote increases in trade flows, with potential to grow as long as progress is made in their interoperability at the regional and/or subregional level. The appropriate implementation of ICTs for the development of Single Windows is essential for business information flows to accompany efficiently the international movement of goods and contribute to greater profit and competitiveness along the international supply chain.

The WTO Trade Facilitation Agreement includes a specific provision related to the adoption of International Trade Single Windows and the need to advance in their interoperability, as effective means for streamlining, simplification, efficiency and transparency in export, import and transit transactions.

As a follow-up to the effort launched in 2010 with the First Latin American and Caribbean Regional Meeting on Foreign Trade Single Windows, jointly organized by the Permanent Secretariat of SELA and the Ministry of Trade, Industry and Tourism of Colombia, SELA has systematically promoted these annual regional meetings with the purpose of fostering coordination processes to contribute to digital inclusion in the context of regional integration processes and the permanent and proactive debate on relevant issues associated with Single Windows, in particular the regulatory, technical, technological and governance areas. The goal is to encourage governments in the region to undertake the design of public policies and instruments that favour regional efforts aimed at consolidating Single Windows throughout Latin America and the Caribbean as part of e-commerce and e-government strategies.

The VII Latin American and the Caribbean Regional Meeting on International Trade Single Windows focused on reviewing the strategic role of Single Windows in the context of the recent WTO Trade Facilitation Agreement and the mechanisms for trade integration in Latin America and the Caribbean, which showed that the appropriate development of these tools can generate favourable conditions for making strides with intra-regional trade, a crucial area to achieve higher levels of productivity and competitiveness in individual countries and in Latin America and the Caribbean as a whole.

As the aforementioned events, the VIII Regional Meeting of International Trade Single Windows has been promoted by the Permanent Secretariat of SELA to boost the analysis of strategic elements and relevant experiences in this matter, with a view to disseminating best practices and generating recommendations that contribute to the consolidation of programmes for the optimization of processes. The ultimate goal is to boost international trade in countries that have incorporated this tool and to facilitate efforts aimed at consolidating the International Trade Single Windows throughout Latin America and the Caribbean, as part of e-commerce and e-government strategies.

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### B. Objectives

1. Discuss emerging and innovative issues with an impact on the design and development of International Trade Single Windows in Latin America and the Caribbean, as an essential tool for international trade facilitation.
2. Provide cutting-edge analytical elements that contribute to the progress and strengthening of International Trade Single Windows in Latin America and the Caribbean and their relationship with other links in the international supply chain.
3. Disseminate information about the best practices stemming from projects/programmes for the design and implementation of International Trade Single Windows, making emphasis on the methodologies, procedures and resources that have proved to be effective in the area of cross-border paperless trade, under the criteria of interoperability, efficiency, compatibility of standards and security.
4. Generate convergence for the development of International Trade Single Windows, aiming at unifying the required criteria for implementing common processes and systems with the capacity of exchanging information, intended to develop organizational and technological interoperability and harmonize data on the basis of international standards.

### C. Expected results

Organization of the VIII Latin American and Caribbean Regional Meeting on International Trade Single Windows, in order to analyze critical and emerging issues related to the development of International Trade Single Windows and disseminate the most significant regional experiences in this matter. To that end, as it has been the case in all previous events, the Meeting is expected to be attended by representatives of the Member States linked to the design and implementation of Single Windows, as well as related instances such as customs, ports and ministerial bodies related to procedures for import and export of goods and services. In addition, representatives of international and multilateral organizations related to these processes are also expected to participate in this meeting.

### D. Activities and schedule

| Activities   | Date                   |
|--|------------------------|
| Planning and organizing the VIII Latin American and Caribbean Regional Meeting on International Trade Single Windows | July – October 2016    |
| Conducting the VIII Latin American and Caribbean Regional Meeting on International Trade Single Windows              | 13 and 14 October 2016 |

**PROJECT I.5. Programme on the Latin American and Caribbean network of digital and collaborative ports: Strengthening logistic port communities, service standards and technological innovation**

**Activity I.5.1. Programme on the Latin American and Caribbean network of digital and collaborative ports Phase II: Expansion and institutionalization of the network**

**A. Background and justification**

During the year 2014, some headway has been made in the first phase of the Programme for the creation of the Latin American and Caribbean network of digital and collaborative ports: Strengthening logistic port communities, service and technological innovation standards for a globalized, competitive and logistically sustainable international trade, within the framework of the non-refundable technical cooperation agreement between CAF-development bank of Latin America and the Permanent Secretariat of SELA and with the participation of the ports of Manzanillo and Veracruz, in Mexico; Buenaventura and Cartagena, in Colombia; Callao, in Peru; San Antonio and Valparaíso, in Chile; and Balboa and Colon, in Panama.

The programme Network of Digital and Collaborative Ports, started in 2014 as a support for the port-logistics sector, has undertaken the task of strengthening the various aspects of logistics competitiveness, from the institutional framework, which involves port-logistics communities, the regional public-private partnership on logistics and national logistics plans, to the operational framework, which includes best practices for synchronizing ship-maritime-land operations and collaborative information technologies such as port single windows, logistics coordination systems and logistics modules to interoperate with International Trade Single Windows.

As long as more countries and their port communities develop real trade facilitation and transport networks, with emphasis on the reference model for competitiveness of the port-logistics chain proposed in this Programme, some headway should be made in minimizing the structural flaws in our region. In addition, the Network includes a set of support subsystems, such as the strengthening of methodological support groups, made up of research and innovation centres, which provide technical support to every port community in each region and country. The Program also aims to provide the network with more regional institutions, so that there is a strategic plan that allows them to promote and influence public policies for trade facilitation and transport, digitalization of ports and greater cooperation in each country.

The second stage of this Programme started in September 2015, after the signing of a new non-refundable technical cooperation agreement between CAF-development bank of Latin America and the Permanent Secretariat of SELA. This second stage aims to expand and institutionalize the Network, which means to increase the base of the member countries and port communities (from 9 to 15 port communities and from 5 to 9 countries), promote the implementation of actions related to the Reference Model for Competitiveness of the logistics chain provided for by the Network, present proposals for the institutionalization of the Network and continue to build institutional and technological lines of action that contribute to closing gaps in logistical sustainability and competitiveness.

The second stage of this Programme will last until July 2016, when the agreement with CAF expires. In this second stage, efforts are being made to strengthen collaborative activities of countries and pioneering port communities and to make some progress with actions in the new regional port communities in Mexico, Peru, Ecuador, Costa Rica, Trinidad and Tobago and

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Uruguay, since it is highly feasible to make some headway in the replicability of preliminary results obtained in the first stage and in other Latin American and Caribbean countries through transfer of knowledge, generated recommendations and execution of agreements on regional initiatives that facilitate the sustained implementation of institutional and technological innovations at the regional level.

### B. Objectives

1. Make some progress in the early stages of conceptualization, mobilization of members and strategic planning in 6 new regional port communities: Puerto de Altamira in Mexico; Port of Spain in Trinidad and Tobago; Puerto Limon in Costa Rica; Guayaquil in Ecuador; Paita in Peru; and Montevideo in Uruguay.
2. Strengthen technical support for the implementation of measures proposed by the reference model in the 9 port communities addressed in the first stage of the Programme, namely: Manzanillo and Veracruz in Mexico; Balboa and Colon in Panama; Buenaventura and Cartagena in Colombia; el Callao in Peru; and Valparaíso and San Antonio in Chile.
3. Improve the Reference Model by complementing it with an "Implementation guide for the continuous improvement of the port-logistics chain," and promote the monitoring of its implementation by communities and countries participating in the Network.
4. Advance in the institutional strengthening of the Latin American and Caribbean network of digital and collaborative ports, on the basis of a sustainability study and the consolidation of the dissemination of results and information on the Network through the development of a Web platform for Exchange of information.

### C. Expected results

1. Strengthening, expansion and sustainability of the Network of Digital and Collaborative Ports, within the framework of the Programme for the creation of the Latin American and Caribbean network of digital and collaborative ports: strengthening port-logistics communities, service and technological innovation standards.
2. Development of a Web platform that promotes greater synergy in terms of a permanent exchange of information and best practices in port-logistics communities, contributes to the dissemination and management of information generated by regional and subregional institutions on this issue, and contributes to the progress of electronic governments, in the context of trade facilitation in Latin America and the Caribbean.

### D. Activities and schedule

| Activities   | Date                      |
|--|---------------------------|
| Terms of reference and hiring of Consultant  | September 2015            |
| Block I – Technical cooperation activities N° 1  | October – December 2015   |
| Block II – Design activities N° 1  | October 2015 – March 2016 |
| Block III – Design activities N° 2   | January 2015 – March 2016 |
| Block IV – Technical cooperation activities N° 2   | April – June 2016         |
| Block V – Dissemination activities: VIII Meeting of International Trade Single Windows; SELA - CAF | July 2016                 |
| Final Report   | August 2016               |

**PROGRAMME: INFORMATION AND COMMUNICATIONS TECHNOLOGIES AND KNOWLEDGE SOCIETY**

**PROJECT I.6. Strengthening the statistical information system on SELA's Web site**

**Activity I.6.1. Development of an interactive system for the management of databases and economic statistics on SELA's Web site**

**A. Background and justification**

At present, SELA's Web site has a limited offer of statistical information. For that reason, it is necessary to change and optimize the technological tools of the organization.

In order to restructure the database of SELA, the Directorate of Studies and Proposals will provide statistical information emerging from the research work carried out. In addition, the hiring of an external provider will be required for the development of the necessary Web interface.

Thus, SELA can expand the network of users of its Web site to offer a wide range of statistical information that will be regularly updated.

**B. Objectives**

1. Restructure the statistical database of SELA's Web site by incorporating new quantitative information that will be provided by the Directorate of Studies and Proposals.
2. Include dynamic tools that enable better management and visualization of the database.

**C. Expected results**

An up-to-date and efficient technology platform that may offer greater value to the users of our Member States, providing dynamic tools for the management and presentation of statistical databases.

**D. Activities and schedule**

| <b>Activities</b>                                    | <b>Date</b>     |
|--|-----------------|
| Terms of reference and hiring of provider            | February        |
| Implementation of project                            | March and April |
| Incorporation of new features to the SELA's Web site | May             |

**PROJECT I.7. Management and coordination of specialized portals**

**Activity I.7.1. Management and maintenance of the specialized portal on the Community of Latin American and Caribbean States (CELAC)**

**A. Background and justification**

The creation of this specialized portal is in compliance with Decision 527 "Support of the Permanent Secretariat of SELA and its Work Programme to the establishment of the Community of

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Latin American and Caribbean States (CELAC),” adopted at the XXXVIII Regular Meeting of the Latin American Council (Caracas, 17 to 19 October 2012).

This tool represents the most complete Web site as regards information generated by CELAC: from the [Caracas Declaration](#), signed on 3 December 2011, when the Community was established, as well as all documents ([Caracas Plan of action](#), declarations, procedures and special releases) in Spanish, English and French, signed on 2 and 3 December of that same year. It also includes the documents emanating from the three CELAC Summits and the two EU-CELAC Summits held so far, as well as the documents arising from the Meetings of National Coordinators and other bodies of the Community.

### B. Objectives

Contribute to the systematization and dissemination of the character, objectives, functions, activities and the intellectual production of CELAC, especially between its Member States and the rest of the world.

### C. Expected results

A Web site that provides everyone interested in CELAC, including planners, scholars and those interested in the integration and development of Latin America and the Caribbean, with relevant, up-to-date, and timely information on the region and the Community as an institution.

### D. Activities and schedule

| Activities  | Date                |
|---|---------------------|
| Regular updating through the timely incorporation of documents produced by CELAC and information on different events organized by the <i>Pro tempore</i> Presidency of the Community. | Throughout the year |

### Activity I.7.2. Management and maintenance of the specialized portal on International Cooperation Directors for Latin America and the Caribbean: Promotion of South-South Cooperation

#### A. Background and justification

The IX Regular Meeting of the Latin American Council, in 1983, adopted Decision 156, which designates the Permanent Secretariat as the “regional focal point for the exchange of information on Technical Cooperation among Developing Countries.” Later on, the XXI Meeting of International Cooperation Directors for Latin America and the Caribbean, held in Mexico in 2010, entrusted SELA with the task of creating a digital space with information resources for the International Cooperation Directors in the region.

This portal has reported on South-South Cooperation, Triangular Cooperation and the relevance they are gaining in Latin American and Caribbean countries, in view of the high potential that those instruments may have on economic and social development policies aimed at promoting well-being among the most vulnerable sectors of society.

In addition, the portal has continued to contribute to the exchange of information and documents on cooperation and technical assistance in the region. Moreover, the Permanent Secretariat publishes every two weeks the "Bulletin on South-South Cooperation", which contains information on the current situation of cooperation in the countries of the region.

## **B. Objectives**

Collect and disseminate information and documentation on South-South cooperation in the region, especially among International Cooperation Directors in Latin America and the Caribbean, the various actors in charge of regional cooperation and the users of SELA's cooperation network.

## **C. Expected results**

1. Maintain and develop the portal of South-South Cooperation for the International Cooperation Directors in Latin America and the Caribbean, on SELA's Web site.
2. Continue preparing and disseminating the Bulletin on South-South Cooperation among the International Cooperation Directors in Latin America and the Caribbean and the users of SELA's cooperation network.

## **D. Activities and schedule**

| <b>Activities</b>  | <b>Date</b>         |
|--|---------------------|
| Adaptation and updating of the Portal of South-South Cooperation | Throughout the year |
| Bulletin on South-South Cooperation                              | Fortnightly         |

### **Activity I.7.3. Management and maintenance of the specialized portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean. Directory of companies committed to risk management**

#### **A. Background and justification**

The creation of partnerships between the public and private sectors for disaster risk reduction is gaining greater relevance at the regional level, in view of the enormous potential for support that can be offered by the private sector in disaster situations, which is vital to complement government action.

The issue already is part of the agenda of Latin American and Caribbean institutions specialized in risk management, particularly the United Nations Office for Disaster Risk Reduction (UN/ISDR) and the United Nations Office for the Coordination of Humanitarian Assistance (OCHA), with which the Permanent Secretariat has been working in close coordination and collaboration.

Forging strategic partnerships between the public and private sectors involves previously identified potential allies; hence the importance of further promoting the directory of private companies committed to risk management. In addition, it is necessary to continue developing the existing digital space, so that it can gather all the information and documents produced on this issue at the regional level and awareness can be raised about the importance and need to move forward in building such strategic alliances. The goal is to take action before, during and after an adverse event, whatever its type, and thus to contribute to risk management and humanitarian assistance.

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### B. Objectives

1. Collect and disseminate information, documents and successful experiences as regards public-private partnerships for disaster risk reduction in Latin America and the Caribbean.
2. Identify enterprises and associations of the Latin American and Caribbean private sector that are interested in contributing and cooperating in disaster risk reduction and support mechanisms for humanitarian aid with a global, comprehensive and prospective approach, in coordination with the national authorities in charge of risk management.
3. Support the dissemination of the information and documents generated by regional and subregional institutions in charge of disaster risk reduction in Latin America and the Caribbean (CAPRADE, CDEMA, CEPREDENAC, REHU, CELAC, UN/ISDR and OCHA), in compliance with their mandates on the subject; as well as the "Forum for Coordination and Cooperation of the Subregional Mechanisms for Disaster Risk Management of the Americas", the "Regional Platform for Disaster Risk Reduction" and the "Regional Meetings on International Humanitarian Assistance Mechanisms".

### C. Expected results

1. Maintenance and updating of the Portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean.
2. Development and updating of the directory of enterprises and private associations concerned and sensitive to the issue of disaster risk reduction in Latin America and the Caribbean, and to promote dissemination of information among those stakeholders.
3. Support for regional and subregional institutions in charge of disaster risk reduction in Latin America and the Caribbean, including CAPRADE, CDEMA, CEPREDENAC, REHU, CELAC, UN/ISDR and OCHA in complying with their mandates.

### D. Activities and schedule

| Activities   | Date                |
|--|---------------------|
| Maintenance and updating of the Portal on Public-Private Partnerships for Disaster Risk Reduction in Latin America and the Caribbean | Throughout the year |

#### Activity I.7.4. Management and maintenance of the specialized portal on Free Trade Zones in Latin America and the Caribbean

##### A. Background and justification

The Permanent Secretariat launched this specialized portal in compliance with the mandate emanated from the First Conference of Government Authorities of Free Trade Zones in Latin America and the Caribbean (Cali, Colombia, 20 and 21 September 2012), concerning the need to create a space for the exchange of information and knowledge about industrial, services and free trade zones in Latin America and the Caribbean.

##### B. Objectives

Collect and disseminate information on free trade zones in Latin America and the Caribbean.

### C. Expected results

A portal containing relevant and up-to-date information on the operation of free trade zones in Latin American and Caribbean countries.

The portal on [free trade zones](#) includes a general directory of free trade zones by country, the definition of free trade zone adopted, the text of the main national legal instruments governing the matter, benefits derived from free trade zones and links to national authorities in the area. In addition, it includes three additional directories, namely: unions; government policies; and free trade zones by country, city and type (trade, industry, manufacturing and services). It should be noted that this tool collects the most up-to-date relevant documentation produced on the issue of free trade zones in Latin America and the Caribbean.

### D. Activities and schedule

| Activities   | Date                |
|--|---------------------|
| Regular updating in terms of new free trade zones created or eliminated, the emergence of new legislation and new public policies governing the free trade zones in different countries. | Throughout the year |

#### Activity 1.7.5. Management and maintenance of the specialized portal on SELA-SMEs

##### A. Background and justification

Initially, the information on SMEs was managed by SELA through the portal on the Programme of Institutional Cooperation for the Development of SMEs (IBERPYPME), which was suspended in 2011. At present, that information is managed through the Web page of the SELA-SMEs Programme, which includes a selection of the contents of the IBERPYPME Programme, among other things.

In 2014, the process of creating a new specialized portal on the SELA-SMEs Programme started, and in 2015 the portal was launched. This portal specialized in SMEs provides information and documents on various topics, namely: public policies; productive articulation; internationalization; innovation, ICT, competitiveness and productivity; financing and guarantees; entrepreneurship; gender equity; social responsibility, among others. In addition, it provides links to regional and international institutions related to the issue of SMEs, as well as a directory of business and governmental focal points of SMEs in the Member States of SELA.

This specialized portal also includes a compilation, by country, of the major laws and legal frameworks relating to SMEs in the Member States of SELA.

##### B. Objectives

1. Collect and disseminate information and documents on small and medium-sized enterprises (SMEs) in Latin America and the Caribbean, in accordance with the areas defined in the SELA-SMEs Programme: innovation, entrepreneurship, partnership, internationalization, and access to financing, with special emphasis on the dissemination of strategies and public policies for SMEs applied in the countries of the region.

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2. Support the cooperation actions of the Permanent Secretariat for creating and strengthening small and medium-sized enterprises (SMEs) in Latin America and the Caribbean.
3. Expand the network of contacts with public and private entities to facilitate the location of officials responsible for public policies, as well as the representatives of the sector in the Member States.

### C. Expected results

1. Manage and keep the specialized portal on SMEs up to date, making use of inputs provided by the SELA-SMEs Programme, to facilitate the dissemination of information and knowledge about the main developments in the field of SMEs in the Member States of SELA.
2. Develop and disseminate the SME newsletter among business and governmental focal points of SMEs in Latin America and the Caribbean and the network of experts in the field.

### D. Activities and schedule

| Activities                     | Date             |
|--------------------------------|------------------|
| Permanent update of the portal | January-December |
| SME newsletter                 | Bimonthly        |

#### Activity I.7.6. Design, development and maintenance of the specialized portal on the Network of Digital and Collaborative Ports

##### A. Background and justification

Within the framework of the Non-Refundable Technical Cooperation Agreement with CAF-development bank of Latin America, the second stage of the Programme for the creation of the Network of Digital and Collaborative Ports was launched in August 2015. This stage includes the process of design and construction of the specialized portal on the Network of Digital and Collaborative Ports and aims to help preserve, systematize, manage and disseminate knowledge, information and documents generated by the various instances pertaining or relating to the Network.

Thus, increasing visibility and having the possibility to disseminate, transfer and share knowledge and information generated in the context of this Programme and other related instances is a key element to advance towards the institutionalization of the Network of Digital and Collaborative Ports promoted by SELA.

This activity is under way, with the stages of design and hiring of suppliers for the construction of the portal having been completed. The process will conclude in the first quarter of 2016.

##### B. Objectives

Carry out the design, construction and launch of the specialized Portal on the Network of Digital and Collaborative Ports, in order to disseminate, transfer, and share knowledge and information generated within the framework of this Programme and other related instances. This specialized portal represents a key element to advance towards the institutionalization of the Network of Digital and Collaborative Ports promoted by SELA and to close links with the different port

communities, methodological support groups, public and private institutions, and general public who participate in the Programme.

### C. Expected results

1. Specialized portal as a key tool for the institutionalization of the Network of Digital and Collaborative Ports.
2. Maintenance and updating of the specialized portal.

### D. Activities and schedule

| Activities   | Date                  |
|--|-----------------------|
| Terms of reference and hiring  | October 2015          |
| Execution of the contract – Designing and construction of the specialized portal | October – May 2016    |
| Maintenance and updating of the specialized portal                               | From May 2016 onwards |

## AREA II. ECONOMIC AND TECHNICAL COOPERATION

**PROGRAMME: SUPPORT TO ECONOMIC AND TECHNICAL COOPERATION AMONG LATIN AMERICAN AND CARIBBEAN COUNTRIES**

**PROJECT II.1. Strengthening economic and technical cooperation in Latin America and the Caribbean**

**Activity II.1.1. Study for updating the Index of Public Policies for SMEs in Latin America and the Caribbean**

### A. Background and justification

This study aims to complement the methodological work carried out by the Permanent Secretariat in 2015 for developing the Index of Public Policies for SMEs in Latin America and the Caribbean. In particular, this study will focus on the preparation of a detailed procedural framework for the evaluation of the Index. This contribution shall rely on the experience of Uruguay as the first country to implement this tool in the region.

In addition, the study will incorporate a list of possible specific indicators for the measurement of the dimensions making up the Index. Indicators will be built based on parameters used in the previous implementation of the Index in other regions of the world, as well as on parameters of particular importance for the region. The objective of the disaggregation of indicators is to facilitate the implementation of the Index in nations that are interested in the tool, but have fewer technical and financial resources to implement it.

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### B. Objectives

1. Complement the theoretical study prepared by the Permanent Secretariat in 2015 with the incorporation of recommendations arising from the implementation of the methodology by the Government of Uruguay.
2. Prepare a detailed methodological document for the implementation and evaluation of the Index, with a view to expanding its use in other countries of the region.

### C. Expected results

A document containing a procedural framework for the implementation and evaluation of the Index, as well as subregional meetings to present the benefits of the tool.

### D. Activities and schedule

| Activities                  | Date                  |
|-----------------------------|-----------------------|
| Preparation of study        | April-June            |
| Translation and publication | July                  |
| Subregional meetings        | Venues to be defined. |

### Activity II.1.2. Workshop on implementation of Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC)

#### A. Background and justification

The design and implementation of efficient public policies for promoting and developing business initiatives is an area of particular interest, in view of the participation of small and medium-sized enterprises in the economic dynamics of Latin America and the Caribbean. Aware of this reality and committed to the boost of productive development in the region, the Permanent Secretariat prepared in 2015 the study "Methodological considerations for developing an index of public policies for SMEs in Latin America and the Caribbean."

This document makes a disaggregated analysis of the dimensions that must be taken into account for the development of an indicator that quantifies the impact of public policies to promote SMEs. On the basis of the experience of the Index of Public Policies of the OECD, the study considers the structural characteristics of the region to obtain a rigorous methodological framework that can be extended to Latin America and the Caribbean.

In this connection, the Permanent Secretariat presented this document at the Regional Meeting on Public Policies for Promotion and Support of SMEs, held in April 2015 in Cartagena de Indias, Colombia. In this event, the Government of Uruguay, specifically the Ministry of Industry, Energy and Mining - through the National Directorate of Crafts, Small and Medium-sized Enterprises - invited the Permanent Secretariat to expand details of the proposed methodology in Montevideo.

In June 2015, the Government of Uruguay, through the Ministry of Industry, Energy and Mining, asked the Permanent Secretariat to provide technical support in the design and implementation of an index of public policies for SMEs in that country, to be financed by CAF-development bank of Latin America.

The Work Programme of SELA for 2016 includes the design of an Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC) in the “Study for updating the Index of Public Policies for SMEs in Latin America and the Caribbean.” The main objective of this document is to obtain a tool that may assess the impact of policies and to identify areas of action that may require special attention to improve the performance of SMEs. For the dissemination of this instrument, the Permanent Secretariat is scheduled to organize two regional meetings, in which the technical details of its structure will be expounded for its adoption by the member countries.

In order to optimize the adoption of the IPPALC, the Permanent Secretariat considers it necessary to organize a workshop for the successful implementation of the index as analytical tool for the design of public policies. It should be noted that the adoption of these common approaches and visions, shared by the different countries of the region, will make it possible to compare results and use them for the design of long-term strategies aimed at the integration of markets and improvements in productivity.

#### **B. Objectives**

1. Disseminate a standard methodology for the implementation of the Index of Public Policies for SMEs in Latin America and the Caribbean.
2. Promote the use of the instrument, providing a reference framework shared among the countries of the region and focused on the advantages of the tool for the design of public policies.

#### **C. Expected results**

1. Technical training to calculate, update and understand the Index of Public Policies for SMEs.
2. Identify specific opportunities to adapt and/or share experiences that methodologically enrich the Index

#### **D. Activities and schedule**

| <b>Activities</b>  | <b>Date</b> |
|--|-------------|
| Planning and organization of the Workshop on implementation of Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC) | August      |
| Conduction of the Workshop on implementation of Index of Public Policies for SMEs in Latin America and the Caribbean (IPPALC)                | September   |

### **Activity II.1.3. XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean: Cooperation in science, technology and innovation in Latin America and the Caribbean**

#### **A. Background and justification**

The Meeting of International Cooperation Directors for Latin America and the Caribbean has been organized annually within the framework of SELA since 1987 as a meeting of cooperation directors and organizations of Latin American and Caribbean countries for the exchange of ideas, experiences and best practices regarding relevant issues on the agenda for cooperation and

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development assistance, from the Latin American and Caribbean perspective. In this connection, the annual meetings held recently have been focused on a central subject of great topicality and relevance to the region, among other aspects of interest for directors. The 2015 meeting addressed the issue of "Port cooperation in Latin America and the Caribbean: Digital ports. Status and prospects."

In this context, the Latin American Council of SELA has adopted two decisions to strengthen this space for encounter. Decision 156, of 1983, designated SELA as the "regional focal point for the exchange of information on Technical Cooperation among Developing Countries", and Decision 538, of 2012, on the "Meetings of International Cooperation Directors for Latin America and the Caribbean ", further supported this meeting.

In 2016, the XXVII Meeting of International Cooperation Directors is expected to address the issue of "Cooperation in science, technology and innovation in Latin America and the Caribbean." This event will be held with the co-sponsorship of the Pérez-Guerrero Trust Fund (PGTF) of the Group of 77, as well as other bodies specialized in the subject.

Technological innovation has been considered a subject of great importance on the agendas of Latin American and Caribbean countries. Through innovation, production processes of each country can achieve high levels of productivity and competitiveness. Expressions of interest in relation to this issue can be found in the Action Plan of the Community of Latin American and Caribbean States (CELAC) for the year 2015.

Other expressions of interest presented by organizations in the region include the following: the South American Council of Science, Technology and Innovation created in 2012 within the framework of UNASUR; the Grannational Project "ALBA Centre for a fair, decent, humanitarian, complementary and socially-inclusive science, technology and innovation;" and the Commission for the Scientific and Technological Development of Central America, Panama and the Dominican Republic (CTCAP), a specialized agency of the Central American Integration System (SICA).

### **B. Objectives**

The XXVI Meeting of International Cooperation Directors has the following general objectives:

1. Provide a space for encounter between authorities and national focal points responsible for international cooperation to exchange experiences and best practices in the field of science, technology and innovation (STI).
2. Identify actions and initiatives that may increase the coordination and synergy among the various actors in international cooperation at the regional and subregional levels, related to the exchange of knowledge on National Innovation Systems and collaboration among them.
3. Analyze and systematize successful experiences and best practices of cooperation in science, technology and innovation (STI) at the intra and inter-regional levels.
4. Promote the identification of bilateral and multilateral sources of cooperation for the countries in the region, as well as opportunities for cooperation that can be exploited to support the exchange of technological knowledge among countries.
5. Identify proposals and policy recommendations for the strengthening of international cooperation, South-South Cooperation and Triangular Cooperation in the area of science, technology and innovation.

### C. Expected results

1. Evaluation of public policies, initiatives, programmes and projects implemented in the field of science, technology and innovation in Latin America and the Caribbean, and a survey of the main initiatives presented by countries and regional and subregional institutions.
2. Compilation of information on opportunities for international cooperation, South-South cooperation and Triangular Cooperation that are available to the countries in the region in the field of cooperation in science, technology and innovation in Latin America and the Caribbean.
3. Identification of proposals and mechanisms for better use and coordination of international cooperation in the field of science, technology and innovation.

### D. Activities and schedule

The XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean will last two days. Participants will include representatives from national focal points responsible for international cooperation, regional and international organizations, bilateral and multilateral development agencies, as well as experts and other actors specialized in the area of science, technology and innovation.

| Activities   | Date              |
|--|-------------------|
| Preparation of a study on "Cooperation in science, technology and innovation in Latin America and the Caribbean" | January -February |
| Convening the XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean"          | March             |
| Conduction of the XXVII Meeting of International Cooperation Directors for Latin America and the Caribbean"      | April             |

#### Activity II.1.4. Regional Meeting on Partnerships between public and private sectors for disaster risk reduction in Latin America and the Caribbean

##### A. Background and justification

The construction of strategic partnerships between the public and private sectors for strengthening resilience of nations and communities through disaster risk reduction is a priority on the agenda of Latin American and Caribbean institutions specialized in risk management. The topic is particularly relevant this year, following the recent adoption of the *Sendai Framework for Disaster Risk Reduction 2015-2030* by the United Nations, which is the global benchmark in the field of comprehensive risk management.

This agenda is supported by the United Nations Office for Disaster Risk Reduction (UN/ISDR), through its Regional Office for the Americas, and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), with which the Permanent Secretariat has worked in close coordination and collaboration.

The issue of humanitarian aid is also one of the priorities of the Community of Latin American and Caribbean States (CELAC), which has promoted and supported the regional meetings on International Humanitarian Assistance Mechanisms (MIAH). One of the objectives of MIAH Action

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Plan is “to encourage strategic partnerships with the private sector”, which are coordinated by SELA.

During the Third UN World Conference on Disaster Risk Reduction (WCDRR), held in March 2015 in Sendai, Japan, participants adopted the *Sendai Framework for Disaster Risk Reduction 2015-2030*, stressing the need for the public and private sectors to work more closely and to create opportunities for collaboration. In addition, companies must integrate disaster risk into their management practices.

In its activities to promote public-private partnerships for natural disaster risk reduction, emphasis has been made on the need to continue strengthening cooperation and complementary relationship between both sectors, thus allowing for enhancing the capacity of society and its institution to prevent disasters and respond to them, and, above all, to promote the construction and consolidation of resilient communities and societies.

In 2016, the Permanent Secretariat is scheduled to conduct the V Regional Meeting “Partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean.” This activity will be held jointly with the Regional Office for the Americas of the United Nations Office for Disaster Risk Reduction (UN/ISDR) and the national counterpart in the host country.

### B. Objectives

1. Continue to promote the creation of public-private partnerships for disaster risk reduction.
2. Identify and analyze successful experiences in risk management and disaster prevention from the perspective of enterprise and corporate social responsibility.
3. Further support the coordination and cooperation of the work performed by the UN/ISDR and OCHA in the field of strategic alliances between the public and private sectors for disaster risk reduction.
4. Further promote the continuity of Government and continuity of business and operations during disasters, from a regional, comprehensive and forward-looking perspective.

### C. Expected results

V Regional Meeting on Partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean.

### D. Activities and schedule

| Activities   | Date             |
|--|------------------|
| Preparation of a study   | February-May     |
| Preparation and convening of Regional Meeting  | July – September |
| Conduction of the V Regional Meeting on Partnerships between the public and private sectors for disaster risk reduction in Latin America and the Caribbean | October - Chile  |

**Activity II.1.5. Latin American and Caribbean cooperation in the area of trade and competition. UNCTAD-SELA joint project. VI Annual Meeting of the Working Group on Trade and Competition (WGTC)**

**A. Background and justification**

The Permanent Secretariat of SELA has dealt with the issue of competition policy and its interaction with trade in the region since 2008, holding regional seminars with substantial participation of trade and competition authorities of the Member States. In 2010, by Decision No. 519 of the Latin American Council of SELA, the Working Group on Trade and Competition (WGTC) was formally established as executive and technical secretariat of the Permanent Secretariat of SELA and the General Secretariat of UNCTAD.

The V Annual Meeting of the WGTC, scheduled for 2, 3 and 4 December 2015 in Manta, Ecuador, will focus, for the first time, on the interaction between trade and competition policy in the context of the Latin American and Caribbean integration, with the participation of representatives of regional and subregional integration schemes.

As for the Andean Community, Decision 608 of 2005 establishes the "Standards for the protection and promotion of free competition;" the Common Market of the South (MERCOSUR) has created a Competition Committee (CCM) and a Committee for the Defense of Competition (CDC), both derived from the MERCOSUR Protocol for the Defense of Competition in 1996, main standard sanctioned by the organs of this scheme in this matter. In 2010, the MERCOSUR Agreement for the Defense of Competition was signed.

The Caribbean Community (CARICOM) established in 2008 the Competition Commission, under the mandate of the competition policy set out in the Treaty of Chaguaramas (2001). Meanwhile, Central America established the Central American Competition Forum, which has held seven annual meetings with participation of El Salvador, Costa Rica, Honduras, Nicaragua, Panama, Dominican Republic, and officials of the Central American Integration System (SICA).

**B. Objectives**

Hold the V Annual Meeting of the Working Group on Trade and Competition in Latin America and the Caribbean (WGTC), jointly with the General Secretariat of UNCTAD. It will include an exchange of experiences among competition and trade authorities on some of the issues suggested at the V Meeting of the WGTC and those that may arise throughout the year.

**C. Expected results**

1. Based on conclusions and recommendations of the V Meeting of the WGTC, this meeting aims to prepare an analytical study on the status and evolution of interaction between competition policy and trade within the framework of different subregional integration schemes in Latin America and the Caribbean, as a significant contribution of SELA to the VI Meeting of the WGTC.
2. Organization of the VI Annual Meeting of the Working Group on Trade and Competition in Latin America and the Caribbean (WGTC).

**D. Activities and schedule**

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| <b>Activities</b>   | <b>Date</b>        |
|---|--------------------|
| Study on the evolution of interaction between competition policy and trade within the framework of different subregional integration schemes in Latin America and the Caribbean | September- October |
| Organization of the VI Annual Meeting of the Working Group on Trade and Competition in Latin America and the Caribbean (WGTC)   | Second half        |

**PROGRAMME: SELA-SMEs****PROJECT II.2. Latin and American and Caribbean Programme for Small and Medium-sized Enterprises****A. Background and justification**

In October 1998, during the VIII Ibero-American Summit held in Porto, Portugal, the creation of the Institutional Cooperation Programme for the Development of SMEs (IBERPYPME) was approved. It was managed and implemented by the Permanent Secretariat for 13 years, during which the dissemination of the SMEs-related strategies and public policies implemented in the countries in the region was encouraged.

Circumstances related to the economic crisis in Spain prevented the Spanish Agency for International Development Cooperation (AECID) from continuing to provide the annual subsidy it gave to SELA to support the activities of the IBERPYPME Program, so it had to be suspended.

Based on the successful experience of the SELA-IBERPYPME Programme, the Latin American Council, at its XXXVIII Regular Meeting, held in Caracas, Venezuela, from 17 to 19 October 2012, approved the SELA-SMEs Programme,<sup>1</sup> intended to ensure continuity of the cooperation activities carried out by the Permanent Secretariat for the creation and strengthening of small and medium-sized enterprises (SMEs) in Latin America and the Caribbean.

In addition to the activities carried out by the IBERPYPME Programme for the Member States in Latin America, the Permanent Secretariat had made a huge effort for implementing a special programme for the Member States in the Caribbean through seminars and forums

During the past 15 years, the Permanent Secretariat has encouraged the dissemination of strategies, programmes and public policies implemented in the countries of the region to promote SMEs in issues related to public policies, productive articulation (partnerships, clusters, business networks, export consortiums); innovation, productivity and competitiveness; financing and guarantee systems for SMEs; and entrepreneurship, among others.

In 2016, the Permanent Secretariat is planning to carry out a series of activities focused on deepening training and promotion of public policies to support SMEs; strategies and methodologies for productive articulation; promotion and creation of guarantee systems in the region; and dissemination of methodologies for the promotion of innovation mechanisms to improve productivity and competitiveness of SMEs, as well as the promotion and training of

<sup>1</sup> Document SP/CL/ XXXVIII.O/DT N° 10-12

entrepreneurs as a strategy for expanding and strengthening the entrepreneurial base in the region.

## **B. Objectives**

The SELA-SMEs Programme aims to contribute to the strengthening of the entrepreneurial development of SMEs in the 28 Member States of SELA and the remaining five Caribbean States that are members of the Organization of Eastern Caribbean States (OECS), by deepening institutional capacities of business and government focal points, outlining projects to encourage the creation of new productive units and consolidate existing ones, technological transformation, inclusion in international markets and productive articulation of SMEs through national and international strategic partnerships.

Similarly, efforts will be made to promote the creation and development of financial systems, particularly those intended to create and strengthen national and regional guarantee systems with a view to facilitating access to credit for small and medium-sized enterprises.

One of the issues considered to be of utmost importance by the Permanent Secretariat is Public Policies for SMEs, due to its cross-cutting relationship with other areas. Thus, based on the conduction in 2014 of three (3) workshops in Bolivia, Honduras, and Trinidad to gain knowledge about the experiences on public policies of the countries in the region, the generated information was gathered and served as the basis for the preparation of the study "Public policies to support MSMEs in Latin America and the Caribbean" (SP/CL/XLLO/Di N° 20-14). This document was presented at the Regional Meeting on Public Policies for the Promotion and Support to SMEs, held in Cartagena, Colombia, in April 2015.

Also in 2015, other events have been held to analyze several topics, such as innovation and export consortiums. In July, a second workshop on the fashion and garment industry and economic development in the Caribbean took place. In addition, pre-feasibility studies on regional guarantee systems for SMEs in Central America and the Caribbean were prepared.

Based on these results, the Permanent Secretariat has planned a series of activities for 2016 that will be focused on strengthening the promotion of public policies to support the SMEs sector, productive articulation strategies, promotion of guarantee systems in the region and dissemination of innovation mechanisms to improve the competitiveness of SMEs, as well as entrepreneurship activities.

## **C. Expected results**

1. Strengthening of capacities of focal points in SELA's Member States in charge of programmes for the development of SMEs in matters related to internationalization, innovation, productive articulation and access to financing.
2. Exchange of institutional experiences as regards programmes to promote improvements in the supply of products and services of SMEs.
3. Support to the creation of exchange networks of officials and experts in specific issues related to SMEs.
4. Timely and concrete technical assistance in accordance with the demands of Member States for cooperation in developing projects for SMEs.
5. Preparation of bimonthly Bulletin on SMEs (SELA-SMEs Programme).
6. Inventory of institutions and experts specialized in various issues related to SMEs.

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### Activity II.2.1. Seminar-Workshop on internationalization of SMEs

#### A. Background and justification

Small and medium-sized enterprises face the challenge of exporting, which makes them formulate strategies with defined long-term objectives in order to find new markets, with trained staff at all levels acting in a coordinated manner and establishing various forms of sectoral linkages.

The experience gained by SELA in this area is recognized, since courses and workshops on SMEs internationalization have been held and supported by experts of public and private organizations in several countries of the region and other regions. A significant number of them have successfully promoted strategies, programmes and instruments to facilitate the inclusion of their SMEs in international markets. For example, in coordination with UNIDO, a Latin American Network of Export and Origin Consortiums was created, made up of Latin American public and private institutions that promote the development of consortiums. This Network aims to promote the exchange of experiences and best practices for the promotion of export and origin consortiums in Latin America and the Caribbean.

#### B. Objectives

1. Promote strategies and methodologies for the development of programmes to facilitate SME access to international markets.
2. Adopt best practices to achieve success in internationalization efforts.
3. Promote the creation of export consortiums of SMEs to develop export capabilities.
4. Identify and implement successful methodologies for the preparation of assessments, which may detect the potential of SMEs for developing export capabilities, their limitations and restrictions in order to overcome them.

#### C. Expected results

1. Training of Latin American officials and entrepreneurs on strategies and methodologies of the internationalization process.
2. Direct assistance to officials and entrepreneurs from the countries in the region who require technical support to implement strategies and programmes for internationalization of SMEs, creation of consortiums and partnerships.
3. Dissemination of information on methodologies and best practices for internationalization of SMEs.
4. Adoption of organization and operation methodology of export consortiums.

#### D. Activities and schedule

| Activities   | Date                |
|--|---------------------|
| Identification of institutions and experts with recognized expertise in internationalization and export consortiums. | April-June 2016     |
| Conduction of a Training Seminar-Workshop on internationalization of SMEs in Latin America and the Caribbean.        | July 2016 - Ecuador |

## **Activity II.2.2. Pilot Workshop on adoption of innovation processes in SMEs**

### **A. Background and justification**

SMEs should consider constant improvements in their products and services. Therefore, encouraging innovation processes is of the essence. In most cases, such processes involve the implementation of technological and organizational changes to meet the issues of competition and changing markets. Additionally, ongoing technological changes have contributed to a rapid jump to a “real time” economy, which leads to improved business productivity.

In order to meet the demands of entrepreneurs and governments on this issue, SELA has organized courses, seminars and other training activities, in an attempt to convey the concepts and methodologies to promote innovation and boost productivity and competitiveness, thus favouring a more efficient business management by SMEs.

In 2013, the Permanent Secretariat conducted the Seminar on Technology Transfer Mechanisms for SMEs, in Lima, Peru. This activity was organized jointly with the Small Industry Committee of Peru (COPEI). During the activity, a review was made on the progress achieved, the strategies and tools to support the process of effective technology transfer. Information about the main successful stories in the Andean Region has been disseminated, in order to promote innovation as a strategic tool to support the improvement of SMEs competitiveness and productivity. In addition, Brazil, Colombia, Chile, Mexico and Peru shared their experiences.

In mid-October 2014, a “Seminar on Innovation for SMEs” was conducted, which was supported by the National Direction of Handicrafts, Micro and Small-sized Enterprises of Uruguay (DINAPYME). The meeting evaluated the progress as regards this issue in the region and presented the study “Identification of Successful Experiences for the Implementation of Innovation Processes in Companies” (SP/STGIP/DT N° 2), prepared by the Permanent Secretariat.

In May 2015, the Regional Meeting on Innovation, Competitiveness and Productivity was held in Lima, Peru. In this event, the final version of the aforementioned study was presented. According to the results of this study, emphasis is made on the new public policy instruments to foster innovation and improve productive business efficiency for the implementation of business innovation processes.

As a contribution to debates, the Permanent Secretariat presented the study “Identification of successful experiences in implementing business innovation processes” (SP/RRICP/DT N° 2-15). This study makes a critical review of policies and programmes to help increase the effectiveness of investments in innovation in SMEs of the region, particularly with reference to existing companies in the industrial sector, and reviews some successful cases in business innovation, most of them showing incremental innovations with a low impact on the competitiveness and growth of enterprises. In addition, the study analyzes conceptual and methodological aspects related to the topic of innovation in SMEs in the region and proposes strategies and methodologies to promote innovation processes and knowledge management inside enterprises, in order to increase and sustain their growth and competitiveness.

### **B. Objectives**

1. Develop a pilot training workshop to support the process of effective promotion of innovation within enterprises.

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2. Ensure the participation of entrepreneurs in the development of innovation processes to improve competitiveness and productivity in SMEs.
3. Present and disseminate successful cases in promoting innovation processes in enterprises.
4. Boost the development of government programmes to support the promotion of innovation.

### C. Expected results

1. Disseminate concepts, working methodologies and design of strategies to stimulate innovation processes.
2. Ensure the participation of the Latin American Network of Innovation and Entrepreneurship for the dissemination and implementation of methodologies to incorporate innovation as a strategic factor for improving competitiveness and productivity in enterprises.
3. Uploading of documents on successful experiences in innovation onto the Web Portal of the SELA-SMEs Programme.

### D. Activities and schedule

| Activities  | Date                   |
|---|------------------------|
| Organization of the Pilot Workshop on adoption of innovation processes in SMEs. | May- August 2016       |
| Hiring of instructors for the Workshop.   | July 2016              |
| Conduction of the Pilot Workshop on adoption of innovation processes in SMEs.   | September 2016 - Chile |

### Activity II.2.3. Seminar-Workshop on entrepreneurship

#### A. Background and justification

Entrepreneurship is an opportunity for people excluded from society's formal work to insert in the national or local productive chain, increasing not only the value added of goods and services in the economy, but also the quality of life of its inhabitants by inserting them in the productive chain and thus reducing poverty.

Most programmes and public policies to promote entrepreneurship focus only on the last stage of the entrepreneurial process once the company is set up. Therefore, it is advisable to design public policies that consider business development beyond the development of SMEs, such as, for example, the creation of second-generation business incubators, training, and promotion of business networks, among others.

SELA has come a long way on this issue, conducting for example Courses on Entrepreneurial and Business Development Strategies in Guatemala, at the end of 2011; Cartagena, in 2012; and Caracas, headquarters of the Permanent Secretariat of SELA, and Barquisimeto, where information was provided to representatives of universities and public and private promoters of entrepreneurship on successful methods in some countries of the region.

Studies on entrepreneurship are prepared annually through a methodology called Global Entrepreneurship Monitor (GEM), which is used around the world since 1999 and whose results refer specifically to input and output indicators of companies, but also includes indicators of

entrepreneurial activity according to motivation. These indicators compare companies that are created to capture an opportunity with those that are established in response to a need or as a means of basic subsistence of the entrepreneur. This comparison is relevant to the countries in the region included in the study, since the percentage of entrepreneurs that respond to a need is very high in several of them. The study highlights some Latin American countries with different activities, including Chile, Peru, Mexico, Brazil and Argentina, among others.

In addition, the Kauffman Foundation, based in Kansas City, Missouri, promoted the creation of the Global Entrepreneurship Week, which, through a link by country, stimulates the organization and registration of activities on entrepreneurship during the month of November around the world. These activities include courses, lectures, press conferences, presentation of projects, meetings of entrepreneurs, etc., whose information is collected. Then, a global report on the activities carried out during this week is presented.

Many actions are taken by national and local governments, international and regional institutions, as well as foundations of different types to promote the entrepreneurial culture, stimulate entrepreneurial activities and support entrepreneurs.

#### **B. Objectives**

1. Promote an exchange of experiences accumulated in various programmes for development of entrepreneurs.
2. Analyze the progress made on entrepreneurship at the regional level, evaluating the causes of its development.
3. Encourage business organization in sectors that represent economic and social opportunities and promote the creation, among other mechanisms in entrepreneurship, of national systems of business incubators.
4. Consider features and prospects for dynamic enterprises.
5. Consider and suggest new mechanisms for financing the entrepreneurial process, such as seed capital funds, networks of angel investors and venture capital funds.

#### **C. Expected results**

1. Promotion of business training programmes and national systems of incubation in sectors that represent economic and social opportunities in the countries of the region.
2. Conduction of a Regional Seminar-Workshop on entrepreneurship and development of projects for the creation of business incubators in the countries of the region.
3. Identification of successful institutions that promote business development programmes.
4. Dissemination of business development strategies and programmes.

#### **D. Activities and schedule**

| <b>Activities</b>   | <b>Date</b>            |
|---|------------------------|
| An analytical study on the status of entrepreneurship in the region and the role of business incubators for its development | May- June 2016         |
| Hiring of a consultant to prepare the study.  | April 2016             |
| Conduction of a Seminar-Workshop on entrepreneurship.   | August 2016 - Barbados |

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### **Activity II.2.4. Seminar on productive articulation strategies and methodologies: clusters and export consortiums**

#### **A. Background and justification**

One of the fundamental characteristics of SMEs is their flexibility to respond to the changing demands of the market. This feature, in terms of generation of economies of scale, limits their ability to be competitive in world markets. As a solution, all analyses and successful experiences conclude that “partnership” is the suitable way forward.

Opportunities offered by partnership are presented as a collective learning, which expands on innovative management processes and is derived from the articulation of models that impact long-term economic growth and competitiveness.

SELA has conducted seminars and workshops on inter-firm cooperation and partnership, with a view to strengthening the productive articulation capacities of SMEs in value chains and encouraging the formation of sectoral productive linkages. Small and medium-sized enterprises face the challenge of exporting, which makes them formulate strategies with long-term objectives in order to find new markets, with trained staff at all levels acting in a coordinated manner and establishing forms of linkage among the various sectors involved in the SMEs chain.

The experience gained by SELA in this area is recognized, since courses and workshops on internationalization of SMEs have been held and supported by experts of public and private organizations in several countries of the region and other regions.

In this connection, during the year 2013, two events on the subject were held in Santo Domingo, Dominican Republic, and in Barranquilla, Colombia. At these events, concepts, types and formation of export consortiums were taken into consideration.

The event in Dominican Republic was directed primarily to Caribbean countries and aimed to promote productive development strategies, formation of export consortiums and internationalization of SMEs for their foray into regional and international markets, as well as to stimulate exchange among Latin American and Caribbean countries, with the aim of strengthening the productive integration of the region.

The event held in Barranquilla, Colombia, focused on handicraft SMEs, which are particularly important to the region due to the cultural wealth that they involve. They are also linked to the ancestral skills inherited from a significant part of the population involved in the production of handicrafts.

Crafts are defined as essentially handmade products. Since the loss of the nature of crafts involves serious risks, the modernization policies by way of increased productivity –involving either an increase in fixed capital to the detriment of crafts or standardized mass production- should be implemented carefully.

In May 2014, a Workshop on Export Consortiums was held in the cities of Piura and Lima, Peru, with the support of the regional government of Piura and the Committee on Small Industry of Peru. It was aimed exclusively at representatives of the Caribbean countries that participated in the event conducted in Dominican Republic in 2013, so as to allow them to visit export consortiums underway, meet entrepreneurs and artisans to learn first-hand their techniques and processes, and outline proposals for the creation of export consortiums in the Caribbean.

In September 2014, the Permanent Secretariat held a Second Workshop on the development of Handicraft SMEs in Quito, Ecuador, which informed about the progress in creating consortiums of the crafts sector in Brazil, Colombia, Ecuador, Mexico and Peru. Also in 2014, a Seminar on the fashion and garment industry was held in Barbados. This event stressed the need for micro and small-sized companies related to this sector to strengthen their productive capacities to access international markets, but they have to form clusters, export consortiums and regional and global value chains.

A proposal was made to conduct a second seminar on the fashion and garment industry in 2015, which enabled participants to reiterate the need to create export consortiums and clusters. In addition, a "Regional Meeting on export consortiums" was organized in October in Mexico. This event analyzed the achievements made in the creation of such consortiums in several countries of the region, whose policies in this area are more developed.

In 2015, the Regional Meeting on export consortiums was held in Mexico and aimed to the following general objectives: i) Contribute to the building and strengthening of business and governmental institutional capacities for the development of productive coordination projects, such as clusters and productive consortiums; ii) Disseminate information about productive articulation strategies, as well as the development of clusters, linkages, local productive developments and industrial districts among other successful strategies; iii) Identify best practices for outlining and launching export consortiums; iv) Exchange experiences via Internet; and v) Provide online assistance for creating export consortiums.

## **B. Objectives**

1. Contribute to the building and strengthening of business and governmental institutional capacities for the development of productive coordination projects, such as clusters and export consortiums in Latin America and the Caribbean.
2. Disseminate information about productive articulation strategies, as well as the development of clusters, linkages, local productive developments and industrial districts among other successful strategies in the region.
3. Identify productive articulation projects in the Caribbean countries that require direct technical assistance or through cooperation that encourages partnerships among SMEs in the region and contribute to the creation of export consortiums and clusters.

## **C. Expected results**

1. Training of officials and representatives of the private sector in productive articulation projects on production and export consortiums.
2. Collection and dissemination of documents on experiences related to different productive articulation instruments and arrangements.
3. Identification of current and potential productive articulation projects.
4. Mobilization of institutional capacities and experts from countries of the region with greater experience to assist applicant countries through cooperation.
5. Conduction of a Seminar-Workshop on productive articulation projects, including export consortiums and clusters.

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### D. Activities and schedule

| Activities   | Date  |
|--|---|
| Organization of two (2) Seminar on productive articulation strategies and methodologies: clusters and export consortiums | June-August                                   |
| Conduction of two (2) Seminar on productive articulation strategies and methodologies: clusters and export consortiums   | April – Nicaragua<br>June – Trinidad & Tobago |
| Preparation of technical assistance on productive articulation at the request of the Member States                       | April – October 2016                          |

### Activity II.2.5. Seminar on strategic support to traditional and micro-enterprises

#### A. Background and justification

During the "Regional Meeting on Innovation, Competitiveness and Productivity ", held in Lima on 5 and 6 may 2015, organized by the Permanent Secretariat of SELA within the framework of the Regional Latin American and Caribbean Programme for Small and Medium-sized Enterprises (SELA-SMEs Programme), emphasis was made on the importance of incorporating innovation and technological development in micro, small and medium-sized enterprises in order to sustain and increase their competitiveness and productivity.

Micro, small and medium-sized enterprises face difficulties and limitations to efficiently incorporate resources for innovation and technological development of their companies, and therefore public policies to support them in this regard should ensure that the resources invested in innovation are efficiently used for greater growth and business sustainability of this type of companies. It is essential for governmental focal points related to small and medium-sized enterprises help MSMEs to identify innovations and technological developments that may have a positive impact on the development of the entrepreneurial activity and even carry out the business restructuring or reorientation on the basis of the new opportunities offered by the incorporation of innovation and use of new technologies.

#### B. Objectives

1. Train officials and entrepreneurs in the development of innovation and improvement processes that encourage competitiveness and enhance productivity in small and medium-sized enterprises.
2. Carry out a review of those public and private sector programmes aimed at encouraging and promoting innovation activities of the companies.
3. Study successful programmes for the implementation of activities and support to traditional SMEs, which imply lower costs and increase the number of enterprises in the process of improvement.
4. Promote an exchange of best practices carried out in other regions for the development of programmes to support traditional enterprises.

#### C. Expected results

1. Promote the creation of a network for exchange of programmes to support SMEs and entrepreneurship.

2. Organize a Seminar with government representative of Latin America and the Caribbean, in order to define concrete actions to support the incorporation of innovation processes and technologies in micro and medium-sized enterprises.

#### D. Activities and schedule

| Activities  | Date                  |
|---|-----------------------|
| Organization of the Seminar on strategic support to traditional and micro-enterprises | July-September        |
| Conduction of the Seminar on strategic support to traditional and micro-enterprises   | October 2016 - Mexico |

### AREA III. EXTRA-REGIONAL RELATIONS

**PROGRAMME: EVALUATION AND PROMOTION OF EXTRA-REGIONAL ECONOMIC RELATIONS OF LATIN AMERICAN AND CARIBBEAN COUNTRIES**

**PROJECT III.1. Monitoring and analysis of new preferential trade agreements entered into among extra-regional countries that could influence their economic, trade and investment relations with Latin American and Caribbean nations**

**Activity III.1.1. Monitoring and analysis of the multilateral free trade agreement called Trans-Pacific Strategic Economic Partnership Agreement (TPP)**

#### A. Background and justification

The process of negotiation of the Trans-Pacific Partnership Agreement (better known as TPP Agreement) is aimed at creating a platform for a potential economic integration in the Asia-Pacific region. The countries participating in the negotiations of the TPP intend to outline a comprehensive, high quality agreement that lays the groundwork for economic growth, development and generation of employment in the member countries and serves as the basis for a future Free Trade Agreement of Asia-Pacific (FTAAP).

The negotiations for this important free trade agreement began in 2010 and concluded in 2015 with the signing of the agreement, which involves twelve (12) States: Australia, United States, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam.

With more than 26 chapters of negotiation, the agreement covers a great number of subjects, including agricultural products and foodstuff; manufactured goods; labour standards; public procurement; competition; intellectual property and copyrights; direct investments; and environment, among others.

#### B. Objectives

The main objective of this activity is to develop an analysis on the potential effects of the Trans-Pacific Partnership Agreement on international trade of Latin American and Caribbean countries.

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### C. Expected results

1. An analytical document on the potential effects of the so-called TPP agreement on international trade of Latin American and Caribbean countries.
2. The conduction of a Regional Seminar on this matter.

### D. Activities and schedule

| Activities                       | Date             |
|----------------------------------|------------------|
| Terms of reference for the study | July             |
| Preparation of the study         | August-September |
| Submittal to Member States       | October          |
| Regional Seminar                 | June-July        |

### Activity III.1.2. The Transatlantic Trade and Investment Partnership (T-TIP) and its possible impact on Latin America and the Caribbean

#### A. Background and justification

The Transatlantic Trade and Investment Partnership (T-TIP) is a free trade agreement (FTA) between the United States (U.S.) and the European Union (EU), which covers the largest preferential trade area in the world, with almost half of global trade and GDP and around three-quarters of global financial markets.<sup>2</sup> The T-TIP has been under negotiation since June 2013, and by July 2015, up to 10 negotiation rounds have been conducted among authorities of the 29 participating countries.

The topics that have been addressed thus far are: trade in goods and services, textiles, non-tariff barriers, rules of origin, e-commerce, investment, trade facilitation, public procurement, environment, intellectual property, labour market, State companies, small and medium-sized enterprises (SMEs), transparency and competition.

For Latin America and the Caribbean, the economies participating in this agreement represent trade and economic partners that deserve special attention. The United States is the first trade and investment partner for Mexico, Central America and much of the Caribbean, including FTAs with 12 countries in the region. In the case of the European Union, which is the main source of investment in the region,<sup>3</sup> LAC has FTAs with 10 countries, and the Common Market of the South (MERCOSUR) has been conducting a negotiation process for an FTA with the EU for almost a decade.

Therefore, in view of these close trade and economic relations with Latin American and Caribbean countries, the conclusion of an FTA between the U.S. and the EU with such a broad scope is expected to bring about significant results for the relations with most countries in the region.

<sup>2</sup> SELA (2015). Economic and cooperation relations of Latin America and the Caribbean with the European Union (Update of the study conducted in 2014).

<sup>3</sup> SELA (2014). Economic and cooperation relations between Latin America and the Caribbean and the countries of the European Union: Status and prospects ahead of the II CELAC-EU Summit 2015.

## B. Objectives

The essential objective of this activity is to identify the economic, commercial and trade implications of the T-TIP for both, the economies of the region's countries and the integration mechanisms in Latin America and the Caribbean.

## C. Expected results

An analytical study on the impact of the Transatlantic Trade and Investment Partnership on both, Latin American and Caribbean countries and regional integration schemes, in the economic, trade and investment areas.

## D. Activities and schedule

| Activities                       | Date      |
|----------------------------------|-----------|
| Terms of reference for the study | March     |
| Hiring of consultant             | April     |
| Preparation of the study         | April-May |

### Activity III.1.3. Analysis of the economic relations between Latin America and the Caribbean and the ASEAN

#### A. Background and justification

This activity, scheduled to take place in October 2015 and aimed at analyzing the study "Analysis of the economic relations of Latin America and the Caribbean with the Association of Southeast Asian Nations (ASEAN)," was postponed to a certain time in 2016. The document, prepared by the Directorate of Studies and Proposals of the Permanent Secretariat of SELA, was completed and forwarded to the Member States of the organization on 23 September 2015.

Founded in 1967, the Association of Southeast Asian Nations, is made up by Indonesia, Philippines, Malaysia, Singapore, Thailand, Viet Nam, Brunei Darussalam, Cambodia, Laos and Myanmar. This block represents 11% of the GDP of Asia-Pacific (with a growth rate above 5% since 1990), 24% of the region's exports, 23% of its imports and 17 % of its population. From the political point of view, its importance lies in the role that the group plays as a coordinator of dialogue and integration in Asia-Pacific through initiatives such as the following:

1. ASEAN + 3, including China, Japan and South Korea.
2. The East Asia Summit (EAS), along with China, Japan, South Korea, United States, India, Russia, Australia and New Zealand.
3. The ASEAN Regional Forum (ARF), together with China, Japan, United States, India, Australia, New Zealand, Canada, Russia, European Union, North Korea, South Korea, Mongolia, Bangladesh, Pakistan, Papua New Guinea, Sri Lanka and East Timor.
4. Seven of its members belong to the Asia-Pacific Economic Cooperation Forum: Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore, Thailand and Viet Nam.

As a result, the strategic location of these countries and the articulation of their economies with the major economies of Asia make ASEAN a significant part of Asia, a region that has an increasingly significant impact on the generation of global product and trade.

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Therefore, it is clear that the Southeast Asian countries and their integration and cooperation institutions, such as ASEAN, must be regarded as a counterpart of relevant interest for the Latin American and Caribbean economies.

However, as shown by the statistics of trade flows and direct investment, Latin America and the Caribbean has a relatively very low participation in trade and investment in the ASEAN region. Exports from Latin America and the Caribbean continue to be focused on raw materials and manufactures based on natural products, with a strong impact of cyclical factors, very low contribution to value chains in the region, and a very precarious reception of FDI originating in that region. Changing this reality and ensuring that our region can take advantage of the opportunities provided by the development and growth prospects of ASEAN depends on the analysis of the constant political and economic coordination that takes place in that region, in which the ASEAN plays an important role as a means of inclusion and linkage. In this connection, if Latin America and the Caribbean achieve a deeper insertion into global value chains, the interaction with the ASEAN will increase.

### B. Objectives

The central objectives of this activity are: to carry out an analysis of the economic, trade and investment relations between Latin America and the Caribbean and the countries that make up the Association of Southeast Asian Nations (ASEAN), with the purpose of developing policy proposals, with a medium and long term perspective, and to evaluate future opportunities and challenges faced by the Latin American and Caribbean region and diversify such relations.

### C. Expected results

A Regional Meeting on the economic relations of Latin America and the Caribbean with ASEAN, in which the document "Analysis of the economic relations of Latin America and the Caribbean with the Association of Southeast Asian Nations (ASEAN)," prepared by the Directorate of Studies and Proposals of the Permanent Secretariat of SELA during the year 2015, will serve as the basis for discussion.

An analytical document of the current status of trade exchanges and FDI flows between Latin America and the Caribbean and Southeast Asia with policy proposals to promote them and diversify them. These analyses would be discussed during a regional meeting convened by SELA.

### D. Activities and schedule

| Activities       | Date  |
|------------------|-------|
| Regional Meeting | March |

**DECISION N° 553**

**AUDIT REPORT ON THE FINANCIAL STATEMENTS  
OF THE PERMANENT SECRETARIAT AT 31 DECEMBER 2014**

**THE LATIN AMERICAN COUNCIL,**

**HAVING SEEN:**

Article 15, paragraph 5, and Article 31, paragraph 7, of the Panama Convention; and,

The Financial Statements of the Permanent Secretariat at 31 December 2014 and the Auditor's Reports that form part of document "Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2014" (SP/CL/XLLO/DT N° 6-15).

**DECIDES:**

Sole Article: To approve the Audit Report on the Financial Statements of the Permanent Secretariat for the fiscal year from 1 January to 31 December 2014.



**DECISION N° 554****APPOINTMENT OF AUDITORS FOR THE YEAR 2015****THE LATIN AMERICAN COUNCIL,****HAVING SEEN:**

Article 34 of the Permanent Secretariat Regulations which, among other provisions, stipulates that "in selecting the external auditor, an attempt will be made to rotate the position among the Member States, as far as it is possible, and considering the financial implications"; and

The audit services bids received by the Permanent Secretariat, encompassed in document "Audit proposal for the year 2015" (SP/CL/XLIO/DT N° 7-15).

**DECIDES:**

Sole Article: To designate **MALDONADO, GONZALEZ & ASOCIADOS**, as the firm in charge of auditing the Financial Statements of the Permanent Secretariat for the period from 1 January to 31 December 2015, bearing in mind the rules that govern the System.



**DECISION N° 555**

**DESIGNATION OF A MEMBER OF THE ADMINISTRATIVE TRIBUNAL OF SELA**

**THE LATIN AMERICAN COUNCIL,**

**HAVING SEEN:**

Decision N° 370 from the Latin American Council; and

The document "Election of a Member of the Administrative Tribunal of SELA" (SP/CL/XLI.O/DT N° 8-15).

**DECIDES:**

Sole Article: Designate **Patricia Sobion** as Member of the Administrative Tribunal of the Latin American and Caribbean Economic System for the period from 1 January 2016 to 31 December 2018.



**DECISION N° 556****RULES OF PROCEDURE APPLICABLE TO SELA MEETINGS****THE LATIN AMERICAN COUNCIL,****HAVING SEEN:**

Article 2 of the Panama Convention;

Article 5, paragraph 4, of the Panama Convention;

Article 15, paragraph 17, of the Panama Convention;

Article 19 of the Panama Convention;

**CONSIDERING:**

The increasing importance of preserving and expanding coordination between the Member States and the Permanent Secretariat for promoting the strategic objectives of SELA and the regional integration of Latin America and the Caribbean;

The efforts made by the Permanent Secretariat and the mandate of the Latin American Council to enhance the analytical quality of the studies and reports of SELA;

The need to expand the visibility and dissemination of the activities of SELA in our societies;

**DECIDES:**

Article 1: Apply the rules of procedure provided for in the Regulations of the Latin American Council to the meetings of Member States promoted by SELA in implementing its Work Programmes, as well as to the meetings of the working groups established by the Latin American Council.

Article 2: The Permanent Secretary will formally convene such meetings at least 20 days prior to the date scheduled for their conduction and, at the time of convening, will forward the relevant basic documents.



**DECISION N° 557****BUDGET PROCESS OF SELA****THE LATIN AMERICAN COUNCIL,****HAVING SEEN:**

Article 2 of the Panama Convention;

Article 15, paragraph 5, of the Panama Convention;

Article 31, paragraph 6, of the Panama Convention;

Decision n. 440 ("Restructuring SELA"), adopted by the XXVIII Regular Meeting of the Latin American Council (7 to 9 April 2003);

**CONSIDERING:**

The advisability for Member States to assess in advance projects and support information for the preparation and approval of the annual budget of SELA;

The need to ensure appropriate levels of funding for the activities promoted by SELA, in accordance with the Work Programmes approved by the Latin American Council;

That the formulation of the annual budget of the Permanent Secretariat has to reflect the priorities established by the Member States and is based on the criteria of rationality and efficiency of expenses;

That the Informal Working Group, created by Decision No. 379 and ratified by Decision No. 404, was instructed to establish a Budget and Work Programme Subgroup, in accordance with Article 7 of Decision No. 440.

The purpose of favouring transparency and suitability in the allocation of public resources in each Member State;

That in preparing the institutional budget, it is desirable for the Permanent Secretariat to try to adapt itself to methodologies and criteria of modern organizational management and strategic planning on a budget by subjects, with tangible goals and objectives, as well as mechanisms for monitoring, measuring and evaluating the progress;

**DECIDES:**

Article 1: Instruct The Permanent Secretariat to present a preliminary draft annual budget to the Member States at least 90 days prior to the date scheduled for the Regular Meeting of the Latin American Council, so that it is submitted for consideration and eventual approval.

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Article 2: Request the Informal Working Group to assess and suggest the necessary adjustments to the preliminary draft annual budget within 30 days following the reception of the aforementioned draft by the Member States.

In this exercise, the Informal Working Group shall consider initiatives that contribute to improve the collection and payment of the budget quotas, particularly in the case of those arrears considered to be historic. The additional resources obtained could be used to strengthen the activities and actions aimed at supporting the development and integration of the countries of Central America and the Caribbean.

Article 3: Request the Informal Working Group to present the corresponding suggestions as regards the Budget and the Work Programme so that the Permanent Secretariat can send the Draft Annual Budget to the Member States, for study and consideration, at least 45 days prior to the date of start of the Regular Meeting of the Latin American Council that shall approve the annual budget of SELA.

Article 4: Entrust the Informal Working Group with the task of examining, in coordination with the Member States and the Permanent Secretariat, since its first meeting in 2016, the possible adoption of the new working method for the preparation of the institutional budget of SELA with a strategic vision.

**DECISION N° 558****ENTRUSTING THE SIGNING OF AGREEMENTS WITH ORGANIZATIONS AND INSTITUTIONS  
OUTSIDE THE REGION**

The Latin American Council,

**HAVING SEEN:**

Article 15, paragraph 11, of the Panama Convention;

Article 18 of the Panama Convention;

Article 31, paragraph 8, of the Panama Convention;

**CONSIDERING:**

That SELA seeks to strengthen the economic relations of Latin America and the Caribbean with other mechanisms and regional integration blocs;

That SELA develops studies, assessments and analyses of opportunities for Latin America and the Caribbean in the fields of trade, investment and cooperation with other regions;

That, under the strategic guidance and priorities established by the Latin American Council, the Permanent Secretariat of SELA promotes and sets up arrangements to conduct studies, programmes and projects with international organizations and institutions, especially those of a regional or national nature of the Member States and third countries;

**DECIDES:**

Sole Article: Entrust the Permanent Secretariat with the task of signing cooperation agreements with organizations and institutions outside the region, permanent or special observers of SELA, for conducting joint activities and studies, previously approved by the Latin American Council and detailed in the Annual Work Programme.



**C. DECLARATION**



**DECLARATION “ENDING THE ECONOMIC, COMMERCIAL AND FINANCIAL BLOCKADE IMPOSED BY THE UNITED STATES AGAINST CUBA”**

The Latin American Council of SELA, gathered in its Ministerial Session, in Caracas on 27 November 2015.

**RECALLING,**

The mandate given by the Member States of SELA to the Permanent Secretariat (Article 4, Decision No. 377) to submit an annual report on the application of the Helms-Burton Law and the economic sanctions of the United States of America against Cuba;

That the adverse effects of such sanctions of the United States not only affect one Member State of SELA, but also impose certain rules to the international community as regards economic relations with Cuba;

Decision No. 112 of the Latin American Council, “Imposition of Economic Measures of a Coercive Nature”, as well as Decisions Nos. 356 and 360, which reject the implementation of unilateral measures that may affect the free development of international trade, in violation of international law and the most basic principles of regional coexistence;

Decisions Nos. 377, 390, 401, 421, 432, 438, 444, 453, 463, 477 and 482 of the Latin American Council, on the “Necessity of ending the economic, commercial and financial blockade imposed by the United States of America against Cuba;”

The Declaration “Ending the economic, commercial and financial blockade imposed by the United States of America against Cuba,” adopted by consensus by the Member States of SELA at the XXXV, XXXVI, XXXVII, XXXVIII, XXXIX and XL Regular Meetings of the Latin American Council (Caracas, 29 October 2009, 28 October 2010, 21 October 2011, 18 October 2012, 28 November 2013 and 28 November 2014, respectively);

The corresponding resolutions adopted by the United Nations General Assembly over the past 24 years urging to put an end to the economic, commercial and financial blockade of the United States of America against Cuba.

**BEARING IN MIND,**

The need to reaffirm, among other principles, the sovereign equality of the States, non-interference in the countries' internal affairs, and the freedom of trade and navigation, as established in numerous international legal instruments;

The declarations issued by Latin American and Caribbean Heads of State or Government at the Summits of the Community of Latin American and Caribbean States concerning the necessity of ending the economic, commercial and financial blockade against Cuba;

The concern that laws and regulations, such as the “Helms-Burton Law,” enacted on 12 March 1996, continue to be implemented by the Member States, and that their extraterritorial effects have an impact on the sovereignty of other States, the legitimate interests of entities or persons under their jurisdiction and the freedom of trade and navigation;

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The declarations and resolutions arising from different intergovernmental forums, bodies and Governments that reflect the rejection by the international community and public opinion to the enactment and implementation of such measures;

The restoration of diplomatic relations between the Governments of Cuba and the United States of America;

The will expressed by the President of the United States of America to strive for the elimination of the economic, commercial and financial blockade against Cuba;

That during this year, harassment of international financial transactions in Cuba has been one the most significant features of the blockade. In addition to being the main obstacle to economic and social development of the country, the blockade is the most important obstacle to further expansion of Cuba's trade links with the world and seriously curbs international cooperation to and from the country;

That the economic damage caused to the Cuban people by the economic, commercial and financial blockade imposed by the United States against Cuba until April 2015, considering the U.S. dollar depreciation against the international price of gold, which is estimated at US\$ 833,755,000,000;

That the decision adopted by the current U.S. Government on 11 September 2015 to extend once again the Trading with the Enemy Act shows the U.S. government's determination to uphold one of the key elements of the legal framework on which the policy of blockade against Cuba is based;

That the analysis contained in the document drafted by the Permanent Secretariat of SELA "Follow-up report on the application of the Helms Burton Law, 2014-2015" presents a detailed description of the impacts of the blockade on various economic sectors of the Republic of Cuba, as well as the extra-territorial nature of some of the measures and provisions adopted in this connection by the United States of America.

### **DECLARES:**

1. The economic, commercial and financial blockade of the United States of America against Cuba violates the International Law and is contrary to the purposes and principles of the United Nations Charter, the rules of the international trade system and the freedom of navigation;
2. The Latin American Council strongly condemns the application of any law or measure contrary to the International Law, such as the Helms-Burton Law, and in this connection, it calls upon the Government of the United States to put an end to their implementation;
3. The Permanent Secretariat must continue to examine this issue of special relevance for the external relations of the region, in accordance with Decision N° 482, and keep the Latin American Council informed about its evolution, with a view to making a decision during the XLII Regular Meeting of 2016,
4. The Latin American Council makes a call to the Government of the United States so that it complies with the provisions of a number of consecutive Resolutions of the United Nations General Assembly to put an end to the economic, commercial and financial blockade that it keeps in force against Cuba.

**SPEECH BY THE HONOURABLE MR. ALEXANDER GABRIEL YÁNEZ DELEUZE, VICE-MINISTER  
FOR LATIN AMERICA AND THE CARIBBEAN OF THE PEOPLE'S MINISTRY OF FOREIGN  
AFFAIRS OF THE BOLIVARIAN REPUBLIC OF VENEZUELA**



## **The integration process of Latin America and the Caribbean and their different models**

Distinguished Ambassador Roberto Guarnieri, friends from Venezuela and the entire Latin American and Caribbean community.

Distinguished international delegates who today honour us with your presence at this forty-first Regular Meeting of the Latin American Council of SELA. Thank you very much for being here in this Bolivarian land which, for the past seventeen years has decided to raise the standards of integration and unity of Latin America and the Caribbean as the indefectible path toward our definite independence.

First, I would like to express my gratitude to Ambassador Guarnieri for his kindness in inviting me to share with you some reflections that are part of the integrationist vision and efforts in favour of Latin American and Caribbean unity of the Eternal Commander Hugo Chávez, who exerted his last breath to the building of a multipolar world in which peace, respect and justice prevail.

Honourable delegates,

Latin American and Caribbean integration continues, to this day, to be an outstanding debt from the moment our countries, converted into republics, conceived ALBA. Since the proposal from the Latin American Integration Precursor, Francisco de Miranda, in whose ideals is the origin of our emancipation until today, our region has not ceased its constant efforts to overcome its structural flaws inherited from centuries of colonial exploitation, and focus on the construction of political and economic spaces that favour consolidation of the specific weight of the region and its geo-economical, geopolitical and geostrategic importance at an international level.

Economic growth and social development, as an indefectible path to finally achieve maximum possible happiness for all citizens, finds its best formula for achievement in regional integration. It is a known fact to all that it is practically impossible for a country in our region, in solitaire, to undertake and bring to a successful completion a truly liberating project for its people without being accompanied by all fraternal peoples with similar needs and interests.

Only through integration, solely through unity, our countries will achieve the strengthening and diversification of its productive mechanism, expand its internal demand, build an appreciable exporting offer, promote fair trade, and defend the national interests above transnational vortex and fraudulent handling of capital markets.

Integration and unity, as its higher phase, is guarantee that Latin America and the Caribbean could achieve the international respect it deserves and the equilibrated treatment it requires. For this, we must make a huge effort to find and give the proper value to the common roots and ideals that identify us as a region. We must build the Latin American as a space where multiple political and economic visions converge harmoniously, but which, in the end, have had the required maturity to, among all, eagerly seek growth and development in benefit of the entire regional community.

Ladies and gentlemen,

Latin American and Caribbean integration has been a desideratum in the aspirations of our peoples and in different social and political projects of those who have had the responsibility of assuming State positions, regardless of their ideological position. However, an urgent need that, from the counter position of ideas and views on the nature of integration, a framework of common consensus may arise enabling us to advance on a coherent and coordinated path.

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The great Bolivar questioned, justifying the urgency of independence from Spain: 300 years of slavery are not enough? Today, emulating our Liberator, we could claim: 500 years are not enough? Yes, they should be enough: 500 years of economic dominance, 500 years of exploitative models, 500 years of robbery, 500 years of anti-development, 500 years of domestic economic elites serving as proconsuls to the interests of the great powers, 500 years of environmental destruction and raiding of our natural resources.

From Venezuela we have said: Enough! 500 years is more than enough, and for seventeen years we have undertaken the experiment of a new development model, a new model of integration, a new model of unity. All this on the basis of respect and common benefit, of non-interference in the internal affairs of States, of promoting an economy and a complementary, solidary and profound humanistic trade, of recognition of differences, of cooperation as a solution against competition.

Distinguished delegates,

Today the debate on different models of integration is more alive than ever in our region and, to us, it seems healthy that way. The vision of some countries favours a so-called "open integration"; an integration imbricated since its beginning in the globalization process; not a non-ideological integration as some say, but quite the contrary, an integration of high liberal ideological content. Meanwhile, other countries have called for an integrated effort that privileges complementary cooperation over competition; an integration that protects internal growth and development; an integration that is not brandished as a goal in itself, but as a means of overcoming poverty and inequality. This does not mean, and it is important to note, that we are against economic and trade aperture.

We understand the inevitability of globalization. We understand it so well that it is precisely why we consider it necessary to build a regional integration process that allows the economic, commercial, political and cultural consolidation of our countries through solidarity cooperation, before even thinking about having real opportunities in the globalized world. Otherwise we would be running the risk of ending up converted into a sort of small shelf in a large supermarket, subjected to the dictatorship of big capital, with its large speculative financial flows, with its technological hegemony, with its protectionist measures, with its monopolistic practices with its dominance of markets, and its control over those who should be its regulatory authorities.

Ladies and gentlemen,

The Bolivarian Republic of Venezuela deeply respects all countries. Respects their political and economic systems, respects their integrationist views, both those resembling ours as well as those that have some differences. We believe that if all our countries, and no doubt they do, have as their ultimate goal the happiness of our people, the various approaches we have on regional integration, they should not be exclusive but rather complementary. It is time to look for those spaces of complementarity. That is where, in our opinion, the role of SELA is of utmost importance.

### **ALBA and PETROCARIBE as concrete examples of Bolivarian integration**

Honourable delegates,

ALBA and PETROCARIBE are the most illustrative expressions of the integration effort of Commander Chavez. Understanding that schematics are found at an early stage of its development, schematics in full construction, yet today constitute a fundamental reference in the region and an undeniable example of the feasibility of an alternative integration; an integration

freed from the aegis of the mechanisms of global and continental economic domination; a countercurrent integration with the neoliberal gospel; an integration whose foundation is solidarity and complementary cooperation and, of course, absolute respect for all forms of social organization established sovereign and legitimately by their peoples.

The ultimate goal of ALBA and PETROCARIBE is not the generation and reproduction of capitalist logic for business, but the struggle against poverty, inequality and social exclusion. Through various cooperation programs we try to get to the root of the structural problems that have plunged our peoples into great economic, social and even spiritual precariousness.

Obviously, under liberal understanding, ALBA and PETROCARIBE are just elements for ideological and political promotion of a certain vision of the world and society. Nothing is further from reality. The only thing that ALBA and PETROCARIBE encourage is the human being as the centre of public policies of States, of cooperation and of integration. That is the fundamental difference. For us, the primal justification for the existence of a State and all its national and international policies, is the decisive promotion of human development from a holistic approach, and not that of becoming an instrument of the dominant classes and elites in power for reproduction of their interests.

For example, **(1)** the International Miracle Mission, a project of medical assistance within the scope of ALBA has achieved the intervention of over four and a half million people in the region with various ophthalmic affectations; **(2)** the Literacy and Post Literacy Program has enabled the eradication of illiteracy in four countries of ALBA, recognized by UNESCO with the declaration Illiteracy Free Territory. This program has allowed more than three and a half million people out of the infra-world of illiteracy, also assuring the continuation of their studies at other levels; **(3)** the Latin American School of Medicine is an institution, with headquarters in Cuba and Venezuela, which has been training doctors with high scientific expertise and an enormous social commitment. We now have more than two thousand young people from Latin America and the Caribbean, and Africa, being trained as doctors to serve the healthcare needs of their people.

The above are just three specific examples of all that we have advanced within the framework of ALBA. Obviously, for our critics, these numbers mean nothing, simply because they are human numbers. But for us, four million people who have now regained their sight or improved visual capabilities; or more than three and a half million people who have managed to see the light of literacy, has much more value than these or those quantities of millions of dollars earned and accumulated in business.

As for PETROCARIBE, we have succeeded in using our energy potential for the development of countries with fewer resources.

PETROCARIBE is a mechanism of cooperation that has succeeded in ensuring energy security for the Caribbean countries. At present, this scheme guarantees nearly 40 percent of the energy needs of our sister Caribbean islands. But, our critics understand it as a blatant way of wastefully giving away Venezuelan oil. Of course, those were the same gentlemen who, for years, promoted and approved the sale of oil at offensive discounts to the USA.

Therefore, PETROCARIBE was a retaining wall to the financial crisis of 2008, and allowed the Caribbean countries to raffle, without much difficulty, the imbalances in the global food market generated by this crisis. As President Nicolas Maduro said at the 10th Summit of PETROCARIBE in Jamaica: without PETROCARIBE, our Caribbean would be another Mediterranean on the planet.

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If you allow me, I would like to share with you some figures from PETROCARIBE that account for its importance and strategic nature: **(1)** Investment in energy infrastructure of more than one thousand five million dollars; **(2)** Refining capacity installed in the Caribbean for more than one hundred and thirty five thousand barrels per day; **(3)** Storage capacity of six hundred and fifty two thousand barrels; **(4)** Four oil tankers; **(5)** Generation of electricity has increased in four hundred and thirty five megawatts throughout the Caribbean region; **(6)** Two hundred and eighty seven thousand tons of fertilizers have been supplied with which nine hundred and fifty seven thousand hectares have been cultivated; **(7)** More than five billion dollars have been invested in various social projects; particularly the ALBA PETROCARIBE Fund has financed more than ninety social development projects; **(8)** Seventeen mixed companies have been created in twelve countries and two subsidiaries of PDVSA, namely: PDVSA Cuba and COMSURCA.

Therefore, from its theoretical conception, product of the perennial endeavours of Commander Chavez, to put at the service of the people and of the Latin American and Caribbean integration, the potential of our country, ALBA and PETROCARIBE have had as an indeclinable mission the struggle against poverty and social exclusion; respect for human rights, labour rights, minority rights, and respect for nature and for the indigenous communities and their knowledge, recognizing the different levels of development of countries. Both mechanisms help to overcome asymmetries, to eliminate unequal and unfair trade, to jointly share technological knowledge; also, they recognize the need for state intervention as a key engine for development.

### **Latin American and Caribbean integration and the role of SELA**

Esteemed representatives of Latin America and the Caribbean,

At this stage, and after so much water has run under our bridges, it is necessary to ask: why the integration? Integration to the service of the people or capital. That is the great dichotomy that must be overcome. And we insist, both views may not necessarily have to be contradictory. Maybe we should rather explore a higher step of integration in which the interests of private economic sectors and the interests of the people are seen. Maybe we should not talk about an integration for this or that sector or social group, but an integration for all.

In this regard, the role of SELA is of vital importance. As an instance of analysis and assessment with great proven technical capacities, SELA can generate proposals that allow the imminence of the different visions on integration that the twenty-seven member countries of this organization today share.

The design an integral proposal incorporating the various integration experiments in the region, could be a very useful roadmap to coordinate positions and establish strategies that enable decisive progress in a truly inclusive integration for all countries in the region.

In this regard, SELA is an organization that has the recognition and respect of all countries of the region. Its specialists and technical teams are comprised of great human talent that, for the past 40 years, is the intellectual heritage of Latin America. Therefore, we believe in the importance of SELA as a resource of ours that has always been committed to Latin American and Caribbean development and integration.

We therefore invite SELA to support us in building proposals that allow edification of a common integration architecture, based on respect for our differences and recognition of that diversity which makes us Latin American and Caribbean.

I cannot conclude without expressing my acknowledgment to my dear friend and Permanent Secretary of SELA, Roberto Guarnieri, from whose hand we have seen important contributions to the formation of a new Latin-Caribbean economic paradigm, and who we know, and we have verified, will continue putting his effort, his dedication, his knowledge, his capacity for negotiation and dialogue to help us move to a new stage in the historical cycle of strengthening the unity in the diversity of our beloved region.

Thank you.



**SPEECH BY HIS EXCELLENCY AMBASSADOR ROBERTO GUARNIERI,  
PERMANENT SECRETARY OF LATIN AMERICAN AND CARIBBEAN ECONOMIC SYSTEM (SELA)**



Your Excellency Ruy Carlos Pereira, Ambassador of the Federative Republic of Brazil to the Bolivarian Republic of Venezuela, Chairman of the Latin American Council;

Honourable Ambassador Alexander Yáñez Deleuze, Vice-Minister for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, host country of SELA;

Distinguished First and Second Vice-Chairmen of the Bureau of the Latin American Council;

Mr Rapporteur;

Your Excellencies Ambassadors and Delegates of the Member States of SELA;

Your Excellencies Ambassadors and representatives of the diplomatic corps;

Representatives of international organizations;

Officials of the staff of SELA;

Representatives of the media;

Ladies and Gentlemen:

It is an honour for me to address and welcome you to the headquarters of the Latin American and Caribbean Economic System on the occasion of the XLI Regular Meeting of the Latin American Council.

SELA is the technical economic body where almost all the States of our region converge.

With the exception of the members of the Association of Eastern Caribbean States, whose statutory incorporation we have actively promoted and hope to formalize next year, our membership is the same as that of the Community of Latin American and Caribbean States (CELAC).

The Panama Convention, whereby SELA was established, was signed in 1975, mainly to coordinate public cooperation policies and negotiating positions of member countries with third parties and global forums.

It was based on the recognition of an essential commonality of interests within the diversity of political systems and economic organization of member countries, assessing the potential for joint action to promote intra-regional cooperation and economic integration, to increase and improve the presence and participation of Latin America and Caribbean in the global economy and to strengthen their influence on the organization's key issues of global trade and finance and the international monetary system.

Four decades later, I believe the rationale behind this body is fully confirmed.

But also, a major adjustment of the operation of the Permanent Secretariat is also justified and urgently required, especially in light of the experience and requirements of these times in face of globalization of the world economy, the complexity and the challenge posed by the expansion and diversity of economic institutions, mechanisms, schemes and approaches, particularly on issues of

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integration in our region and the world, and most urgently, the difficulties to maintain the desired pace of economic growth and regional integration.

An adjustment is required in order to enhance its own analytical capacity and to focus at the same time—as a priority—on key issues of direct relevance to this organization in the context of the Panama Convention.

Based on such realization and on continuous and highly beneficial consultation and constant communication with the Informal Working Group, we have been implementing an internal process that we could call an adjustment process, in the sense of its relevance to confront fundamental changes in this environment and address objectives and priorities considered of major interest and relevance to all our Member States.

Therefore, please allow me, before going into the presentation of activities completed and those of the Work Programme for next year, to make some remarks on this issue.

This year, the 40<sup>th</sup> anniversary of SELA, has been the pivotal year in the process of internal adjustment of the Permanent Secretariat.

It is a process that began in 2013 and will conclude, in its essential aspects, during the year 2016.

It began with the gradual reallocation of resources and an emphasis on matters of vital interest to our member countries, mainly those related to regional and subregional integration and articulation and convergence, and it is being implemented through conceptually rigorous research and studies, developed internally, based on systematic scheduling to ensure thematic priority, coherence in their implementation and adequate priority in time, in line with the demand and needs for information and expertise of our membership.

All this, of course, in full compliance with the commitments of the Permanent Secretariat to CELAC, and in line with all the mandates and guidelines of this Council, which reflect, in turn, the requirements, expectations and preferences of the 27 Latin American and Caribbean Member States of SELA.

The fundamental components of what I have called the adjustment process of the Permanent Secretariat have been the analytical and conceptual excellence in the work and the mode of implementation, which included the gradual but accelerated reallocation of resources for internal implementation.

Specifically, through the significant provision of resources by the Direction of Studies and Proposals, provided for in the organizational structure of the Permanent Secretariat since 2006 but so far unfulfilled.

This process began in 2013 with two studies, essentially analytical in nature, not merely descriptive. In 2014, five studies were conducted on the processes of sub-regional integration and coordination and convergence, among others, and for next year, we have planned to conduct 15 studies out of a total of 21.

Thus, only highly specialised topics will be outsourced to external consultants, as needed for a balanced and high-level implementation of the agenda. For example, certain topics of the SELAS-SME programme, some pertaining to the issue of disaster prevention and relief, regulations of different integration mechanisms and the issue of intellectual property, among others.

Noteworthy is the implementation of the agreement with CAF-Latin American Development Bank on digital and collaborative ports, in its second phase, with the technical assistance of an international consultant of renowned expertise.

This readjustment of activities and their results have been submitted for consideration of the Informal Working Group, and the Permanent Secretary has benefited significantly from these considerations. I wish, in that sense, to express my appreciation to the distinguished representatives of the Informal Working Group and its chairperson, who also chairs the Latin American Council, His Excellency the Ambassador of Brazil.

Also, I would like to express my special appreciation, on behalf of the Permanent Secretary, for the recognition we received regarding the relevance of this process and, above all, its results.

In this connection, I want to assure the Latin American Council of the commitment to continue strengthening the institutional capacity and dedication to meet the legitimate expectations of the Member States to provide relevant knowledge for consideration and decision-making about events, initiatives and proposals on issues within the scope of competence and responsibility of this Secretariat.

To illustrate the result of the goals fulfilled thus far, I could say, if I may, with the typical bias of my profession, that if the activity of the Secretariat were a curve in a graph reflecting on the "x" axis the application of resources and on "y" axis the actual and potential value of the accomplished goals for our membership, which in this case cannot be measured with a quantitative variable but by a usefulness unit, the fundamental change shown by the graph would be a significant shift upwards all along that curve, reflecting a dramatic increase in usefulness and value-added incorporated into finished products.

This curve is basically the result of the production of the Permanent Secretariat of SELA and the vertical shift means that, given the benchmark to assess it, i.e. its usefulness, this has risen consistently for each product *quantum*.

A fundamental adjustment has therefore been made, which is integral in nature, both in content and in the production process, aiming at the aggregation of relevant and necessary knowledge to discern the meaning and scope of issues addressed by SELA, in the context of the Constitutional Agreement.

First, as I said, regarding the integration process and its sub-regional evolution.

On the one hand, the mechanisms that we can identify as traditional—or market mechanisms if you will—such as MERCOSUR, CARICOM, SICA, CAN and the Pacific Alliance.

But also in the most recent modalities that privilege systems of direct formalised agreements, guided at the highest political level by the Member States towards topics and issues of strategic significance or concerted priority, as in the case of the agreements constituting ALBA-TCP and PETROCARIBE.

I dare say that in some ways, this type of integration is an expression, at the sub-regional level, of a central question of any economic system: The share of participation of the public and private sectors in the economic process, in this case in the field of integration.

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In my opinion, this matter of significant importance must be addressed in its strictly economic dimension, bearing in mind at all times the respective efficiencies of both types of mechanisms for specific objectives of integration.

In that sense, it is important to consider, as an exercise in collective reflection, the optimal way to combine the implementation of policies and regulations aimed at expanding the market on the one hand, which is certainly the essence of economic integration, with cooperation between States to directly address integration objectives of mutual benefit and even collective benefit, which the market alone cannot necessarily address.

We should not overlook, therefore, the relevance of an adequate and coordinated combination of both tools to drive the process as a whole, including the expansion of markets and mobility of productive factors.

For example, by providing, by way of direct cooperation between States, the correction or neutralisation of certain critical asymmetries in production processes and allocation of resources of some member countries, thus facilitating community trade liberalisation.

Based on this, I believe we can understand and appreciate the convenience, in certain cases, that the same State participates in both types of mechanism.

Under the conditions and diverse and multiple specificities within Latin America and the Caribbean, we could conclude that the new multilateral schemes of direct cooperation can help improve the development of sub-regional integration as a whole and probably even further, towards convergence into a single economic space, which is the final stage of a true Latin American and Caribbean Economic Community.

Distinguished representatives:

The work programmes reflect fulfilment of the essential duty of the Permanent Secretariat, of the thematic priorities and the degree of analytical concentration.

Also, considering the type of execution, the degree of dependence of the Permanent Secretariat on external consultants and the implementation ability of our professional staff.

The subsequent terms of reference, meanwhile, will reflect, apart from the content itself, the research methodology and the level of thoroughness of the analysis.

The 2016 Work Programme must be seen in this context to be fully valued both in structure and programmatic composition, and its institutional significance and scope. Although it is intended for next year, it has been prepared with a long-term vision that transcends the purpose of each study, 2016 and beyond.

Its content reveals such time-transcendent characteristic within SELA's fundamental priorities that derive from the Constitutional Agreement, adjusted in accordance with the circumstances and requirements.

First, the concentration on the core issues of economic integration itself—ultimate expression of cooperation between Member States—as well as their convergence towards a single economic space in Latin America and the Caribbean.

Both goals—integration and convergence—have been repeatedly highlighted and promoted at the highest political levels. But it is also a fact that in spite of various statements in presidential summits and other forums, the progress in terms of effective integration within each mechanism and their convergence is relatively modest.

It is certainly inadequate regarding the announced—and delayed—political priority, in absolute terms and in relation to economic integration which has been seen in other developing areas, e.g. among the countries of the Association of Southeast Asian Nations.

Regarding this delay, in some cases alarming, the Permanent Secretariat has considered a top priority to assess the evolution of this process in time in order to identify the current state of integration in Latin America and the Caribbean.

We have considered essential in this regard to initiate a systematic evaluation and comprehensive monitoring of the different mechanisms to keep Member States informed in a timely manner about the progress, or lack thereof, in the most important areas.

The content and scope of the research paper presented by the Permanent Secretary in the Forum we just held are an unquestionable expression of this.

Thus, starting with a methodologically rigorous and fully documented analysis, conducted in 2013, as an addition to the work plan for that year, on the issue of intraregional trade, both within each integration mechanism and between these, and with the rest of the world, covering all member countries for a period of 32 years and recently updated until 2013, a significant number of conceptual studies have been implemented to date on economic integration, which will be further developed over the next year.

Overall, we are planning to conduct 11 studies and to prepare periodic monitoring reports—every four months—for each of the integration mechanisms, and to prepare, disseminate and eventually publish studies on specific cases of particular relevance for Integration, on a quarterly basis.

Apart from the fundamental issues that affect the integration process such as the structural and regulatory asymmetries or the lack of convergence in core objectives at the macroeconomic level, or systemic incompatibilities, there are still problems in our region regarding institutional infrastructure and logistics in the area of transport which also affect severely the movement of goods and services among our countries and to the rest of the world.

In particular, problems of governance efficiency of foreign trade significantly discourage domestic and foreign trade, and hinder the realisation of integration among our nations.

Therefore, the 2016 Work Programme includes deepening the work aimed at evaluating and correcting problems in the functional and organisational aspects of ports and customs, in two specific activities: the 8<sup>th</sup> Regional Meeting on Single Window for Foreign Trade, and the implementation of the second phase of the Latin American Network of Digital and Collaborative Ports programme, with funding from CAF-Latin American Development Bank.

In addition, in order to contribute to expertise and systematic knowledge of the institutional structure and operational integration and significant aspects of Latin American and Caribbean economies, the Permanent Secretariat plans to expand and deepen in 2016 the platforms of its specialised portals for the benefit of our members and in general for all bodies concerned with the issues of integration and economic growth in Latin America and the Caribbean.

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Thus, the sub-portals on CELAC, the South-South cooperation, the partnership between the public and private sectors for Disaster Risk Reduction, Free Trade Zones and the SELA-SME programme will be expanded.

We are also planning the design, construction and maintenance of a new portal for Digital and Collaborative Ports Network.

Finally, in this regard, as a direct result of quantitative analytical research at the Directorate of Studies and Proposals, we are planning to develop in 2016 an Interactive System for Database and Economic Statistics Management on the SELA website.

Since its establishment in 1975, SELA has used Annual Meetings of Directors of International Cooperation of its member countries as a fundamental instrument of action to promote regional cooperation.

The issues have always been chosen by consensus and so it will be for the meeting next year, for which we have agreed to discuss Cooperation in Science, Technology and Innovation in Latin America and the Caribbean.

Always supporting regional cooperation processes, the Secretariat has participated and made important contributions to the issue of risk reduction and disaster prevention and continuity of operations in case of disasters.

It should be noted that SELA is part of the Meeting on International Humanitarian Assistance Mechanisms (MIAH) in Latin America and the Caribbean in the context of the United Nations, and our responsibility in the framework of this inter-agency mechanism is to coordinate actions to encourage strategic partnerships with the private sector.

Let me now turn briefly to the programme to support small and medium enterprises.

We started from the realisation that some of the problems that impact most severely economic growth in Latin America and the Caribbean, affecting the realisation of their potential and their own integration are delayed incorporation of technology into the production process, insufficient business management for innovation, and inadequacy—especially of small and medium-sized enterprises—of mechanisms for a more competitive participation in the expanded, regional and global markets.

The SELA-SME programme has been an important instrument in Latin America and the Caribbean to overcome this situation by preparing specific documentation of direct operational relevance and its dissemination through seminars and workshops for consideration and enrichment with relevant experiences.

Some of these key issues, which have been addressed in previous years, will be the focus of the SELA-SME 2016 Programme. Particularly, the issues of internationalisation and export consortia, entrepreneurship for innovation and strategic support to traditional Micro and Small Enterprises.

In this regard, I also want to point out that I have taken due note of the comments and guidance provided during the preparatory meeting of the Council and we shall carry out a thorough cost-benefit analysis to justify the content of this programme.

Certainly, we will keep an emphasis on the issue of public policy for small and medium enterprises, in particular by updating the respective index, developed by the Directorate of Studies and proposals, adopted by the Government of Uruguay for implementation, which will be discussed at a regional meeting for consideration and dissemination and two workshops for the training of specialists in its implementation.

Distinguished representatives:

Latin America and the Caribbean are today in an economic and political, regional and global context, which is profoundly different in many ways from the context that prevailed four decades ago, and still, in a crucially determining factor for their economic process, our progress has been relatively limited.

I am talking about the problem of external economic dependence. Its most apparent consequence, the high volatility of economic growth and precarious degree of sustainability are a fact of adverse consequences which is not likely to be solved by short-term policy measures.

It is a problem largely determined by the nature of the production structure of our countries in terms of technological content and their ability to add domestic value.

In other words, the productive and industrial development of Latin America and the Caribbean, to use the concept of CELAC – is still, with some exceptions, incipient and relatively flat in terms of advanced technology, and therefore also in terms of results on productivity and domestic value added.

This adverse structural condition dampens potential economic growth, given the provision of resources, and it also hinders, indirectly, the process of integration of our countries.

Hence, in the draft Work Programme for 2016 we have included relevant research to assess the situation and come up with potentially useful conclusions for the relevant authorities of our States in the study called—following the specialised terminology— "Production Trap." We hope that this work will be a valid contribution to the priority concern of CELAC on Production and Industrial Development.

Finally, I wish to note that the analysis of the most significant events of the global economy, with direct significance for SELA due to their potential impact on regional economic dynamics, is a cause for serious consideration for the Permanent Secretariat in order to provide timely and relevant information to our authorities.

In this sense, we propose conducting two studies on the effects and potential importance for Latin America and the Caribbean of two trade agreements with a global scope: The Trans-Pacific Economic Cooperation Agreement and the Transatlantic Trade and Investment Partnership. For the former, the Trans-Pacific Economic Cooperation Agreement, we will convene a regional meeting for Member States discuss this issue.

In conclusion, the work programme for the coming year is aimed at strengthening the role of the Permanent Secretariat as a provider of conceptually grounded, methodologically rigorous analyses on key issues for integration and growth in Latin America and the Caribbean which are so far insufficiently discussed at this level, as well as aspects of collective and global interest in the area of institutional structure and governance of the international economy.

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The processing, organisation and provision of relevant, documented and specialised information and the presentation of findings that offer highly useful elements to substantiate efficient decisions and policies in these areas will be a priority of our work.

First, of course, for the benefit of decision-making bodies of the Member States, but also for the national productive sectors, the Community institutions of the various mechanisms of economic integration of Latin America and the Caribbean and research centres specialising in this issues.

The programme is aimed at providing conceptual and documentary components with high net added value to the flow of knowledge and information on these matters. Our ultimate goal is to make the Permanent Secretariat an increasingly recognised and valued body as an excellent source of analysis that contributes to enriching and informing national and collective public policy on which regional economic integration and growth in Latin America and the Caribbean depend.

Finally, I reiterate my acknowledgement, appreciation and gratitude to the Latin American Council for the trust and support.

You can be sure, distinguished representatives, that the Permanent Secretary shall focus at all times on the fulfilment of our mandates and relevant considerations of the Informal Working Group.

Thank you very much.

**SPEECH BY HIS EXCELLENCY RUY CARLOS PEREIRA AMBASSADOR OF THE REPUBLIC  
OF BRAZIL IN THE BOLIVARIAN REPUBLIC OF VENEZUELA  
AND CHAIRMAN OF THE LATIN AMERICAN COUNCIL**



Honourable Ambassador Roberto Guarnieri, Permanent Secretary of the Latin American and Caribbean Economic System (SELA);

Honourable Alexander Yánez Deleuze, Vice-Minister for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela;

Honourable Clarems Endara Vera, Vice-Minister of International Trade and Integration of the Plurinational State of Bolivia;

Ambassadors and representatives of the Member States of SELA;

Representatives of observer organizations;

Ladies and gentlemen:

I would like to take this opportunity to greet the Vice-Minister for Latin America and the Caribbean of the People's Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, Honourable Mr Alexander Yánez Deleuze. I would also like to greet the members of the Bureau, elected by all of you and here represented by the delegate of the Cooperative Republic of Guyana. The delegate of the Republic of El Salvador is not present, but we expect him to join us tomorrow. In addition, let me greet the staff of the Permanent Secretariat through the Permanent Secretary, as well as observers and representatives of other organizations who accompany us today. I would also like to greet the Vice-Minister of International Trade and Integration of Bolivia, Honourable Clarems Endara Vera, and the Chargé d'Affaires of Argentina, Honourable Mr Eduardo Porretti.

I am not going to deliver a speech. I just want to offer some reflection. I listened carefully to the remarks made by the Vice-Minister and the Permanent Secretary, to whom I would like to express my appreciation. In my opinion, a concept that explains and is the fundamental basis of our institution is the ability to build unity out of diversity, without implying that each party involved in this process of building has to abandon its essential interests. I think that this is a very important demonstration of a feature that is characteristic of our region, this part of the world, our culture, our ethnic education and this long period of 500 years the Vice-Minister referred to, which is tolerance.

Building unity out of diversity means, above all, tolerance and respect for those who are different, for those who have different ideas, for those who, despite their different ideas, feel twinned by an ultimate common goal. This is precisely the political will you referred to, Vice-Minister; the political will to move forward and head towards a common final destination, on which we should converge from different starting points; this is really the cornerstone of this system, of this and other institutions. CELAC, for example, is the most admirable political system of this part of the world, in this and previous centuries, and is based on this fundamental concept.

That politically presented, prepared and sustained purpose of building unity out of diversity, in addition to being the cornerstone, entails another goal: ideological plurality. There again is the issue of tolerance for those who are different. There is a widespread idea in the world concerning the integration process that there are technical and political issues, but it has proved to be false, because everything is political.

And why is everything political? Because no matter the debates about what you have mentioned, Mr Permanent Secretary, production trap, arguments could be based on technical concepts: What is trap? What is production? How does production trap occur? In the end, we have to resort to

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policies, because States, Governments, will have to decide what policies are going to take in order to overcome production trap, remain in the same situation or do nothing. Not matter what, the decision is political, and that political decision is based on inputs coming from a technical perspective.

Mr Vice-Minister, you have talked about figures. I prefer to count how many people pass freely through borders, instead of how many containers pass freely through borders, because containers pass for someone. Containers have no vocation to assert themselves and do not know that they are containers; containers pass for someone. And what is being done with containers that pass or do not pass? And who are those "someone"? If you allow me the freedom of language, which I know could be a mistake, for those "someone," this is an ideological definition.

The idea that only left-wingers have ideology is false.

Both left-wingers and right-wingers have ideology. All the political spectrum has ideology. Somehow, some ideologies avoid presenting themselves as such and point to others as ideological positions, present the integration process as a neutral and technical thing and say that it is bad to be ideological, but this is wrong. Why?

As has been said here, integration is not for markets, but for people, and what people care about is not if the ideology is left-wing or right-wing, semi left-wing or semi right-wing. The fundamental question we have to answer and we have tried to answer during the last tenure of the Latin American Council is the following: Are we better with or without integration? Because if we are better with integration, we go forward with it, if we are not better with integration, let us make no mistake. People will give the answer, no matter the ideology of political leaders or decision makers. At the end of the day, people will raise their voice, especially in the democratic regimes that we have in this part of the world.

If a regime is not democratic, this is another story. But here we have democracy, and more than democracy, we have peace. We had not peace in the past, but we have peace today. Some countries are doing everything possible to ensure peace, and if we look at the international mechanisms that are struggling to support peace in our region, these countries have all our support, from right-wing to left-wing movements.

Those of us who attended the Preparatory Stage, Mr Vice-Minister, participated in a major debate about the content of five draft decisions, which then rose to seven and now are eight. All of them are very important and characterized, mainly, by the progressive approach to the proposals by the Permanent Secretariat from the vision of adjustment the Permanent Secretary announced to us. I think that in 2016 we are still going to make some headway, because the Governments of the Member States have expressed to the Permanent Secretariat concerns and opinions that tomorrow will be incorporated into decisions that the Ministers and representatives will adopt. They refer to a better dialogue between the Permanent Secretariat and the Member States, to a multi-annual vision with the strategic content of a budget proposal which, at the same time, has to do with the Work Programme. In addition to what we have achieved, Vice-Minister, Permanent Secretary, members of the Bureau and the audience, I think that perhaps this has been the most important step we have taken towards the goal of giving more visibility to SELA.

SELA will have more visibility if its product is of interest to our societies, and I think that what we have done in this XLI Regular Meeting of the Latin American Council is an advance on the path advocated by the delegate of Mexico and other delegations. Mr Ambassador of Uruguay, supported by the Ambassador of Peru, said that it is essential to move from words to action. I think

that we are doing this, Mr Ambassador. Do not forget that we have a great tool of which the Permanent Secretary reminded us, which is the Informal Working Group. It relies on guidelines that we are going to receive at the Ministerial Stage tomorrow, when the various draft decisions will be approved. At that level, we are going to implement the decisions that the Ministers will adopt tomorrow, from the perspective of a roadmap, of a Work Programme, with a multi-annual strategic vision that takes into account the political objectives of the Member States and counts on the support, dedication and excellent work of the technical and administrative staff of the Permanent Secretariat. I think that we are moving in that direction and that is the challenge we face.

Thank you very much.



**PROJECT SUBMITTED BY THE DELEGATION OF THE PLURINATIONAL STATE OF BOLIVIA**



**PROJECT SUBMITTED BY THE DELEGATION OF THE PLURINATIONAL STATE OF BOLIVIA****PROGRAM: TRADE FACILITATION****PROJECT I.4. Dynamization of logistic processes for foreign trade****Activity I.4.1. Study to quantify the cost of foreign trade in Latin American and Caribbean countries****Background and justification**

The current dynamics of foreign trade has made it difficult to plan the logistics for shipping and receiving cargo, and a consistent growth of trade flows worldwide shows the need to improve the logistic processes and promote new and better ways of transporting goods. The need also arises for extending the logistic networks for transport which indisputably implies a direct investment in physical infrastructure that can support this rapid growth. Likewise, during the past years, trade costs have also experienced accelerated growth, more so thinking that there is a limited installed capacity to handle cargo regionally, implying that new investments will make trade even more expensive as it increases, not forgetting that the delay in the export and import processes also means additional subsumed cost in the final cost of the product.

Both in the framework of the Latin American Economic System (SELA) and in other integration organizations, work and studies have been carried out to determine and identify the obstacles and setbacks that impede an adequate and optimum development of foreign trade in the countries of the region. In this sense, from these studies, different elements have been identified which, for their importance, are likely to establish themselves as a remnant for trade dynamics in the region in order to achieve a better dynamization and improvement in their performance. There are other factors yet to be identified which may need special attention.

Preparation of an investigation regionally in which import and export costs that are incurred to Latin American and Caribbean countries can be clearly identified, discriminating them by each step inside the transit processes of trade which should be established in a document that clearly identifies the bottlenecks or nodes that affect the increase of trade costs in Latin American and Caribbean countries. This document will serve as an analytical basis for proposing effective solutions that assist in providing better trading conditions for the countries of the region.

**Objectives**

1. Determine the costs of exports and imports incurred by each one of the countries of Latin America and the Caribbean, discriminated by each one of the steps involved in the process of trade transit.
2. Identify the nodes, bottlenecks and the main factors that increase the costs of foreign trade in the region.
3. Propose solutions to minimize the main barriers to trade that exist in each country and streamline processes for the transit of goods.
4. Identify best practices in the countries that have managed to reduce costs of foreign trade by making efficient the process for business management.
5. Propose sectoral policies to be applied to reduce the costs of foreign trade in the region.
6. Identify the number of formalities for imports and exports in each country, their costs and their relevance.
7. Identify the effectiveness of procedures by port and their administrative efficiency.

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## Expected results

A reference document on the analysis of the costs incurred according to organizational structure, the institutional and regulatory frameworks of the countries at the time of the foreign trade operation, as well as the identification of factors that represent an obstacle to trade in the region.

This research is intended to gather the necessary information regarding the costs incurred by the countries of Latin America and the Caribbean in their export and import processes, regardless whether they are monetary or other type of costs, which may hinder competitiveness and commercial effectiveness of countries.

## Activities and Schedule

| Activities   | Dates |
|--|-------|
| Preparation and approval of the terms of reference   |       |
| First stage of the study, identification of indicators on the costs of trade (exports and imports) |       |
| Data collection by country to determine individual average price                                   |       |
| Interpretation and analysis of data  |       |

## Estimated Budget

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**Work Documents:**

- DT 1 Draft agenda
- DT 2 Draft annotated agenda and organization of works
- DT 3 Thirty-Ninth Annual Report of the Permanent Secretariat
- DT 4 Draft Work Programme for the year 2016
- DT 5 Draft Administrative Budget of the Permanent Secretariat for the year 2016
- DT 6 Audit Report on the Financial Statements of the Permanent Secretariat at 31 December 2014
- DT 7 Audit Proposal for the year 2015
- DT 8 Election of a Member of the Administrative Tribunal of SELA

**Informative Documents:**

- Di 1 SELA's Report of Activities related to CELAC's Action Plan for 2014
- Di 2 Report of activities of the Direction of Studies and Proposals, 2014-2015
- Di 3 Evolution of the Association of Caribbean States (ACS)
- Di 4 Assessment report on intra-regional trade in Latin America and the Caribbean 1980-2013
- Di 5 Economic and cooperation relations between Latin America and the Caribbean and the European Union (Update of the study released in 2014)
- Di 6 Evolution of the PETROCARIBE Energy Cooperation Agreement
- Di 7 Review and Assessment of the implementation of the Agreement on Trade Facilitation of the World Trade Organization (WTO) in Latin American and Caribbean countries
- Di 8 Establishment of Complementary Economic Zones as a strategy for deepening the coordination and convergence among the countries of Latin America and the Caribbean
- Di 9 Assessment of economic and cooperation relations among Central America, the Caribbean and Mexico
- Di 10 Union of South American Nations (UNASUR)
- Di 11 The Bolivarian Alliance for the Peoples of Our America – Peoples' Trade Agreement (ALBA-TCP)
- Di 12 Analysis of the economic relations of Latin America and the Caribbean with the Association of Southeast Asian Nations (ASEAN)

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- Di 13 Analysis of the economic relations of Latin America and the Caribbean with the Arab world
- Di 14 Report on the regional integration process 2014-2015
- Di 15 Status of the Integration Process in Latin America and the Caribbean
- Di 16 Final Report on the VII Latin American and Caribbean Regional Meeting on International Trade Single Windows
- Di 17 Final Report on the XXVI Meeting of International Cooperation Directors for Latin America and the Caribbean. Port cooperation in Latin America and the Caribbean: Digital ports: Situation and Prospects
- Di 18 Final Report on the IV Regional Meeting on Partnerships between public and private sectors for disaster risk reduction in Latin America and the Caribbean: Corporate social responsibility in risk management
- Di 19 Final Report on the Regional Meeting on Public Procurement Systems in Latin America and the Caribbean
- Di 20 Final Report on the Seminar on the Fashion and Garment Industry and Economic Development in the Caribbean
- Di 21 Final Report on the Regional Meeting on Public Policies for the Promotion and Support of SMEs
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- Di 26 Final Report of the Regional Seminar on economic and financial relations between Latin America and the Caribbean and the BRICS Group
- Di 27 Regulatory frameworks of subregional integration mechanisms in Latin America and the Caribbean: harmonization and convergence
- Di 28 Report on SELA's Activities related to CELAC's Action Plans
- Di 29 Follow-up Report on the on the application of the Helms Burton Law, 2014-2015