

# Supporting Trade, Integration, and Regional Cooperation in Latin America and the Caribbean

Integration and Trade Sector  
2014



## >INTRODUCTION

**R**egional and global integration, trade, and regional cooperation are mechanisms that facilitate economic growth and social and sustainable development in the Latin America and the Caribbean (LATAM) region. The Inter-American Development Bank (IDB) has supported integration since its inception, and—through the Ninth General Capital Increase of the Bank (GCI-9)—has strengthened this institutional priority by establishing a financial goal for 2015 of investing 15 percent of its loans in integration projects. This important mandate to stimulate the global and regional integration of LATAM countries requires more creative and dynamic solutions.

The IDB has been executing a strategy of global and regional integration using three essential pillars: integration software, integration hardware, and regional public goods. Integration software involves supporting countries in the reform of regulatory frameworks that enable them to increase their presence in global and regional markets, such as through promotion of exports; attraction of foreign investment; trade facilitation; cross-border integration; support in the negotiation and implementation of trade agreements; and financial integration. The hardware consists of investment in physical infrastructure, energy, and telecommunications as a way to physically connect the region and reduce the wide connectivity gap. Finally, the integration agenda also involves regional and functional cooperation through the provision of regional public goods in education, health, and the environment, among others.

To carry out this ambitious agenda, the Bank provides financial instruments, such as loans and technical cooperations, and non-financial instruments, such as strategic integration initiatives, applied research and information systems, dialogues and public-private forums, capacity building, and strategic partnerships with other institutions. These instruments are funded by both the IDB's own resources and those of its strategic partners in the integration agenda.

This renewed and strengthened effort by the IDB to promote regional and global integration has required significant institutional adjustments over recent years, such as the creation of the new Trade and Investment Unit (TIU), the reassignment of the Institute for the Integration of Latin America and the Caribbean (INTAL) to the IDB's Integration and Trade Sector (INT), and the strengthening of technical and operational coordination between INT and other IDB units. This brief summary highlights a series of IDB's sector strategy and initiatives in support of trade, integration and regional cooperation in Latin America and the Caribbean.

*[...] the integration agenda also involves regional and functional cooperation through the provision of regional public goods in education, health, and the environment, among others."*



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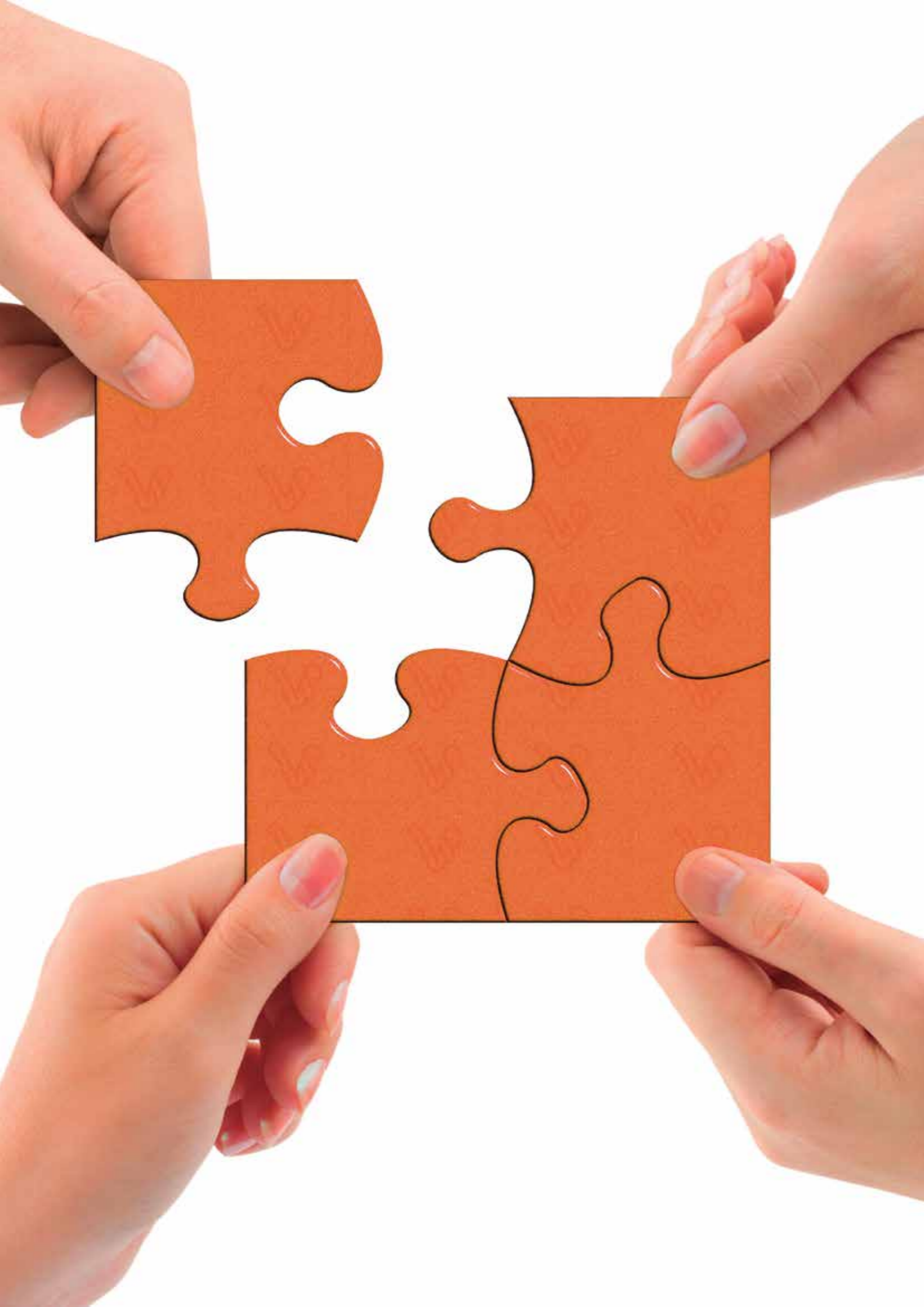
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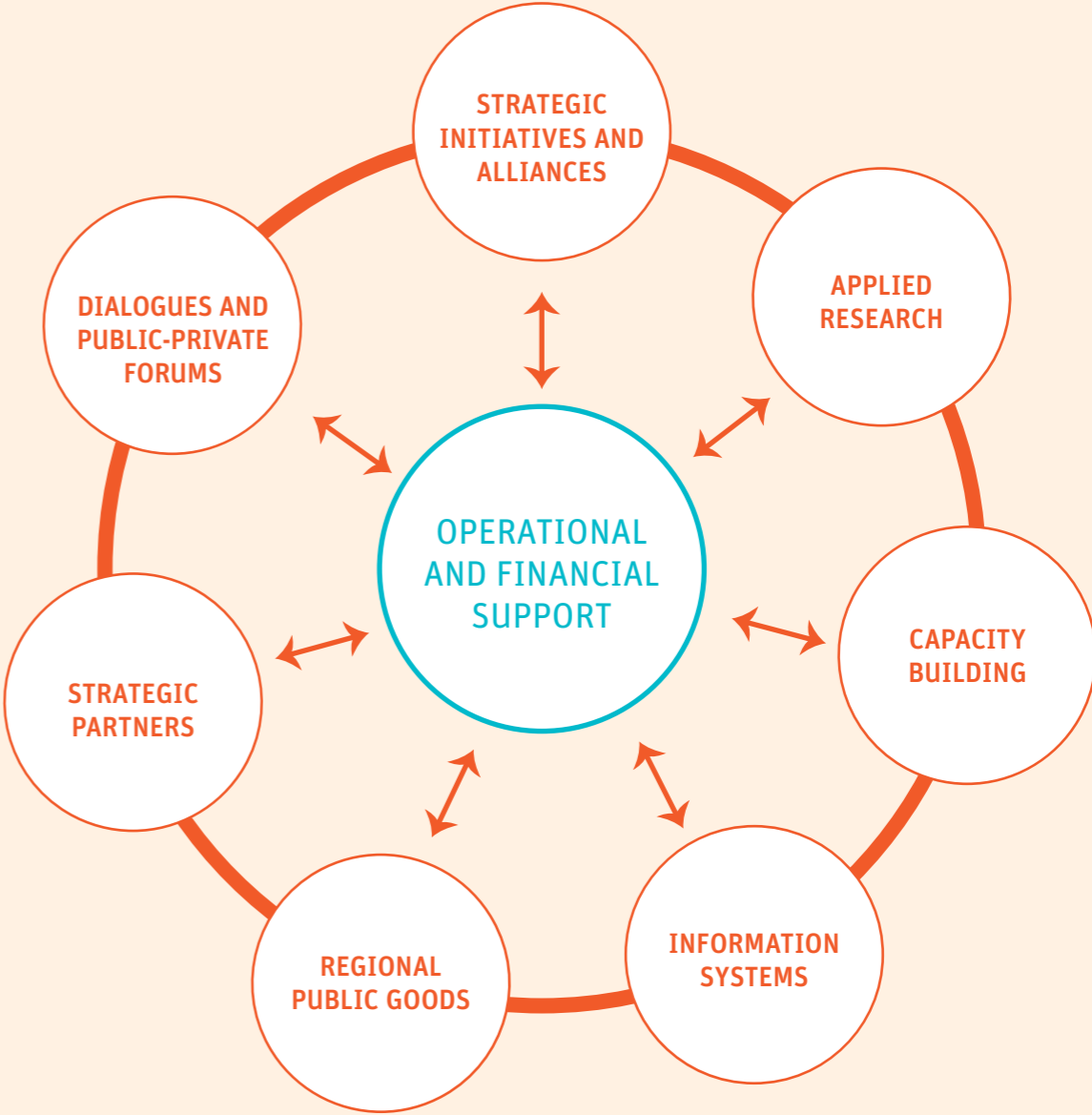
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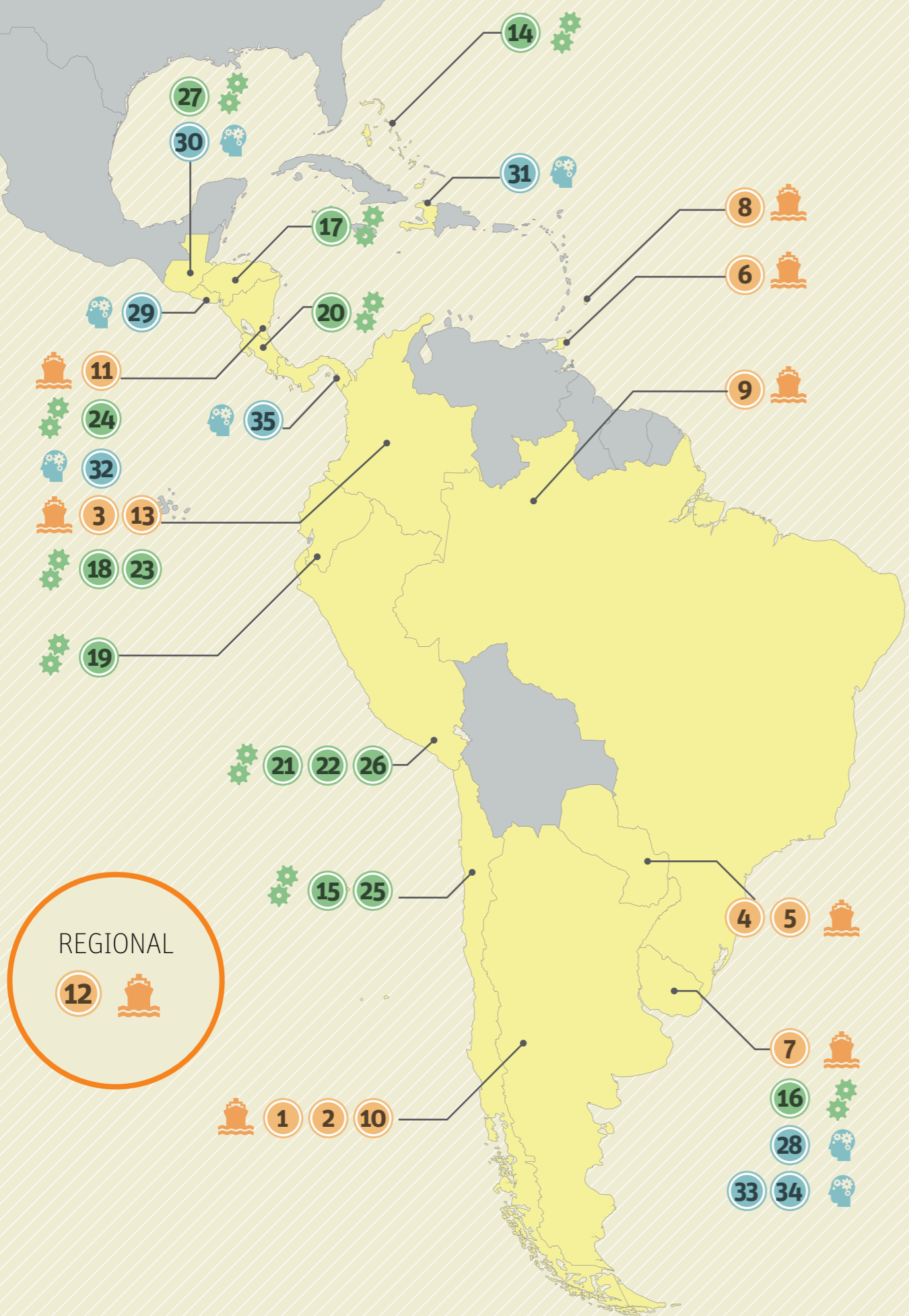
# IDB SECTOR STRATEGY TO SUPPORT TRADE, INTEGRATION, AND REGIONAL COOPERATION IN LATAM

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# OPERATIONAL AND FINANCIAL SUPPORT

OPERATIONAL LENDING \*



**EXPORT PROMOTION AND INVESTMENT ATTRACTION**

**TRADE FACILITATION AND CROSS-BORDER INTEGRATION**

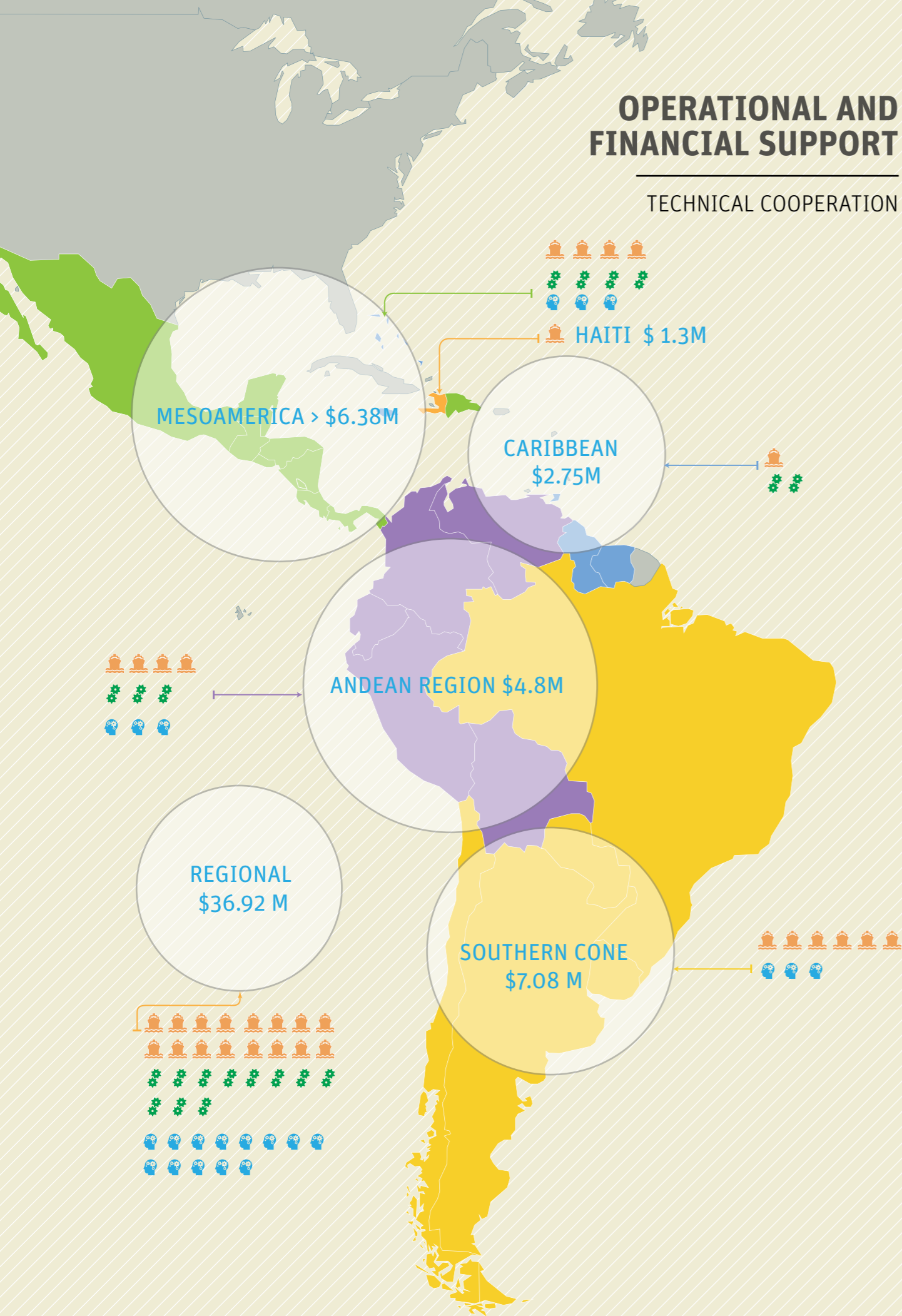
**NEGOTIATION AND IMPLEMENTATION OF TRADE AGREEMENTS AND MANAGEMENT OF FOREIGN TRADE**

Nº	Operation	Loan Name
1	AR-L1078	Strengthen the Ministry of Foreign Relations, International Trade and Worship II
2	AR-L1092	Export Promotion Program
3	CO-L1094	Program to Promote Outsourced Services
4	PR-L1018	Program to Support Paraguayan Exports
5	PR-L1069	Investment Promotion Program
6	TT-L1038	Global Services Offshoring Promotion Program
7	UR-L1060	Program to Support Global Export Services
8	BA-L1033	National Programme for Barbados Tourism
9	BR-L1352	Program to Support Production Development Northeast - PRODEPRO
10	AR-L1157	Programme for the Development of Technological Mendoza
11	NI-L1079	Support Programme Competitiveness and Business Networks
12	RG-L1061	Support the Development of the River Plate Basin
13	CO-L1145	Support Program for Strengthening Manufacturing Export Sector
14	BH-L1016	Trade Sector Support Program
15	CH-L1061	Support for the Establishment of an Integrated Foreign Trade System
16	UR-L1037	Program to Support Uruguay's National Customs Bureau
17	HO-L1055	Puerto Cortés Customs Modernization
18	CO-L1138	Promotion and Extension of Electronic Invoicing in Colombia
19	EC-L1116	Improving Border Crossing Ecuador
20	CR-L1066	Modernization of Border Crossings Land of Costa Rica
21	PE-L1134	Border Crossing Iñapari
22	PE-L1130	Project for Strengthening the Tax Administration and Customs
23	CO-L1130	Border Crossings Colombia-Ecuador (Investments in Colombia)
24	NI-L1083	Border Crossings
25	CH-L1074	SICEX II
26	PE-L1159	Support for the establishment of a Single Window for Foreign Trade
27	GU-L1086	Upgrade Guatemala Mexico Border Crossings
28	UR-L1015	Foreign Trade Management Support Program
29	ES-L1057	Program to Support Production Development for International Integration
30	GU-L1037	Trade and Integration Support Program
31	HA-L1078	Private Sector Development through Investment Promotion
32	NI-L1016	Foreign Trade Support Program
33	UR-L1076	Program for Strategic International Positioning
34	UR-L1097	Program for Strategic International Positioning II
35	PN-L1014	Competitividad y Apertura Comercial

\* Includes projects under execution and in preparation.  
 ▲ Multisector with trade and investment components

# OPERATIONAL AND FINANCIAL SUPPORT

## TECHNICAL COOPERATION



**EXPORT PROMOTION AND INVESTMENT ATTRACTION**

**TRADE FACILITATION AND CROSS-BORDER INTEGRATION**

**NEGOTIATION AND IMPLEMENTATION OF TRADE AGREEMENTS AND MANAGEMENT OF FOREIGN TRADE**

### MESOAMERICA\*

TECHNICAL COOPERATION – AREAS OF INTERVENTION		Number of projects
Export Promotion		4
Trade Facilitation		4
Negotiation and Implementation of Trade Agreements		3
<b>Total projects</b>		<b>11</b>

### CARIBBEAN\*

TECHNICAL COOPERATION – AREAS OF INTERVENTION		Number of projects
Export Promotion		1
Trade Facilitation		2
<b>Total projects</b>		<b>3</b>

### ANDEAN REGION\*

TECHNICAL COOPERATION – AREAS OF INTERVENTION		Number of projects
Export Promotion		4
Trade Facilitation		3
Negotiation and Implementation of Trade Agreements		3
<b>Total projects</b>		<b>10</b>

### SOUTHERN CONE\*

TECHNICAL COOPERATION – AREAS OF INTERVENTION		Number of projects
Export Promotion		6
Negotiation and Implementation of Trade Agreements		3
<b>Total projects</b>		<b>9</b>

### HAITI\*

TECHNICAL COOPERATION – AREAS OF INTERVENTION		Number of projects
Export Promotion		2
<b>Total projects</b>		<b>2</b>

### REGIONAL\*

TECHNICAL COOPERATION – AREAS OF INTERVENTION		Number of projects
Export Promotion		16
Trade Facilitation		11
Negotiation and Implementation of Trade Agreements		13
<b>Total projects</b>		<b>40</b>

\* Sub-regions according to IDB organizational structure

# INITIATIVES AND STRATEGIC ALLIANCES

PREMIER SOCIAL NETWORK FOR BUSINESSES IN THE AMERICAS

[www.connectamericas.com](http://www.connectamericas.com)

PARTNERS Google™ VISA DHL Alibaba.com™

CONNECT LEARN FINANCE

MORE THAN **14.000**\*  
REGISTERED USERS

MORE THAN **90.000 VISITS**\*

### WHAT IS IT?

An innovative social platform that facilitates the search for business contacts, online courses, policy advice on exports, financing opportunities, virtual business communities, and registration for the main events organized by the Inter-American Development Bank.



### WHO BENEFITS?

Any SME can access the platform and join free of charge to establish contacts and use all of the available tools. Members can access potential clients, providers, partners, and investors from the Latin American and Caribbean region and other regions throughout the world.



### HOW DOES IT WORK?

- CONNECT**  
Find new opportunities for your business.
- LEARN**  
Discover how to expand your business into other countries.
- FINANCE**  
Explore financing options available to your international business.



\* Figures as of October 2014

# INITIATIVES AND STRATEGIC ALLIANCES

TECHNICAL SUPPORT AND INSTITUTIONAL COLLABORATION



# DIALOGUES AND PUBLIC-PRIVATE FORUMS



LATIN AMERICA-KOREA BUSINESS FORUM



LATIN AMERICA-JAPAN BUSINESS FORUM



LATIN AMERICA-CHINA BUSINESS FORUM



Outsource2LAC



LATIN AMERICAN BUSINESS FORUM



LAC FLAVORS



BUSINESS SUMMIT OF THE AMERICAS



COLOMBIA-BRASIL INVESTMENT FORUM

## PRIVATE SECTOR FORUMS

- **HEMISPHERE**  
Business Summit of the Americas  
Colombia 2012  
Panama 2015
- **INTRA-REGIONAL**  
Latin America-Asia Business Forum  
Korea 2011 / China 2012 /  
Japan 2013 / China 2014
- **REGIONAL**  
Latin American Business Forum  
Panama 2013  
Brazil 2014
- **BILATERAL**  
Colombia-Brazil Investment Forum  
Colombia 2011
- **SECTORIAL**  
Outsource2LAC  
Uruguay 2011  
Colombia 2012  
Argentina 2013  
Guatemala 2014
- **LAC Flavors**  
Dominican Republic 2011  
Guatemala 2012  
Nicaragua 2013  
Mexico 2014

## PUBLIC SECTOR FORUMS

- **Annual Meetings of Finance Ministers of the Americas and the Caribbean (IDB/INT Secretariat)**  
Mexico 2008  
Chile 2009  
Peru 2010  
Canada 2011  
Colombia 2013  
Colombia 2014
- **Regional Policy Dialogue (Annual Meeting 2000-2014)**

## INTEGRATION AND TRADE FORUM

- **The 21st Century Trade Architecture: Implications for Latin America and the Caribbean**  
Washington, D.C.- IDB 2014

# DIALOGUES AND PUBLIC-PRIVATE FORUMS

AMERICAS BUSINESS DIALOGUE

[www.americasbd.org](http://www.americasbd.org)

*The Americas Business Dialogue is an initiative supported by the IDB to promote public-private high-level dialogue that contributes to the economic and social development of the region, with the participation of business leaders and associations.*

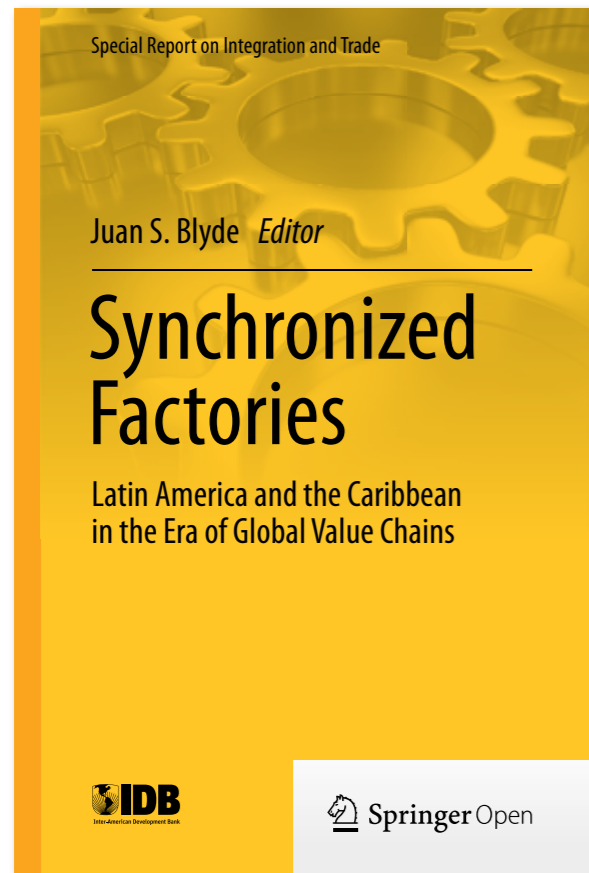




# APPLIED RESEARCH

ANNUAL REPORT

Series of reports on trade costs in LATAM



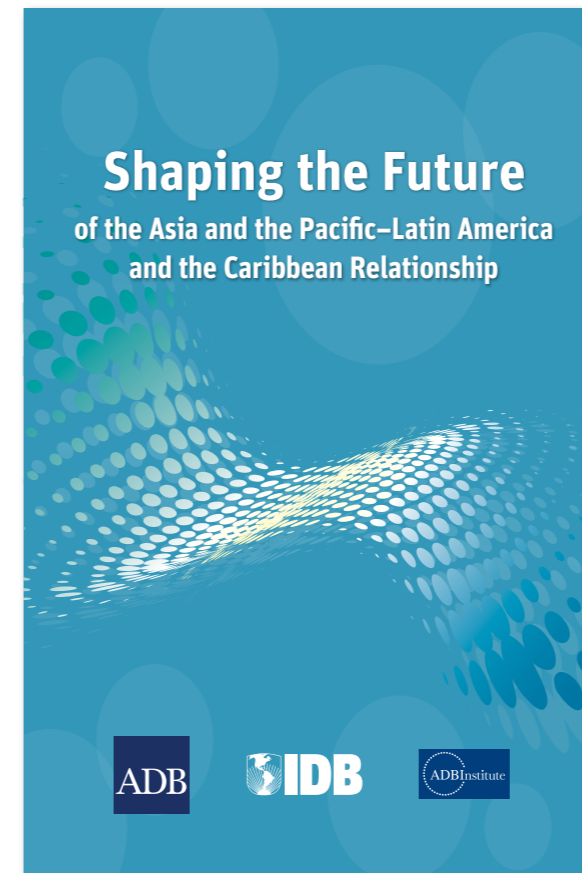
## SYNCHRONIZED FACTORIES: LATIN AMERICA AND THE CARIBBEAN IN THE ERA OF GLOBAL VALUE CHAINS

The fragmentation of global production - in global value chains - is a powerful mechanism of insertion into the global economy. For Latin America and the Caribbean to take full advantage of these opportunities, it is necessary to have more efficient transport systems and logistics, greater regional integration, and an institutional framework to facilitate contractual relationships between firms.”

# APPLIED RESEARCH

ADDITIONAL REPORTS

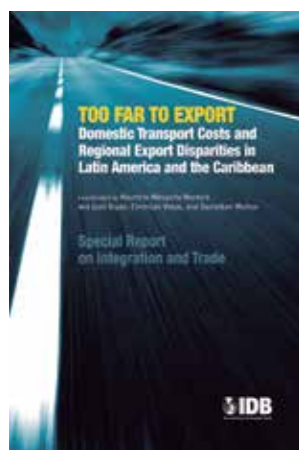
Special publications on LATAM-Asia



## SHAPING THE FUTURE OF THE ASIA AND THE PACIFIC- LATIN AMERICA AND THE CARIBBEAN RELATIONSHIP

The strong growth of trade and investment between Latin America and the Caribbean and Asia and the Pacific has transformed both regions into powerful engines of the world economy, with bilateral trade reaching US\$442 billion in 2013. This study indicates that the time has come to deepen this relationship to ensure future growth and prosperity.

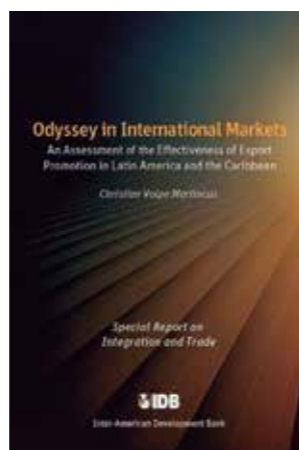
### >> TOO FAR TO EXPORT



### >> UNCLOGGING THE ARTERIES



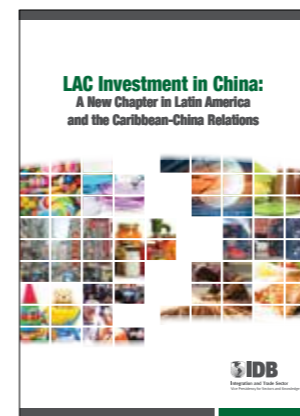
### ODYSSEY IN INTERNATIONAL MARKETS



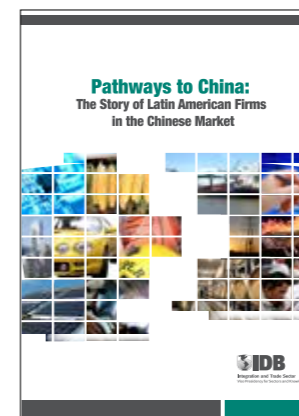
### >> BRIDGING REGIONAL TRADE AGREEMENTS IN THE AMERICAS



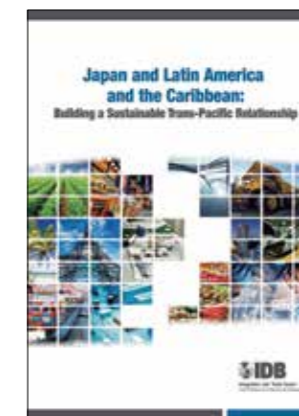
### >> LAC INVESTMENT IN CHINA: A New Chapter in Latin America and the Caribbean-China Relations.



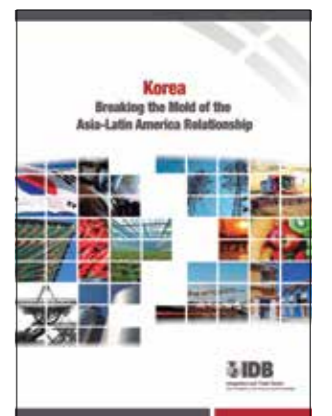
### >> PATHWAYS TO CHINA: The story of Latin American Firms in the Chinese Market



### >> JAPAN AND LATIN AMERICA AND THE CARIBBEAN: Building a Sustainable Trans-Pacific Relationship.



### >> KOREA: Breaking the Mold of the Asia-Latin America Relationship





## INFORMATION SYSTEMS

INTRADEBID

[www.iadb.org/intradebid](http://www.iadb.org/intradebid)



**12 MILLION**  
TARIFF PREFERENCES  
**1 MILLION RULES OF ORIGIN**  
**110** COMMERCIAL AGREEMENTS

**FREE DOWNLOAD**  
INSTRUCTIONS FOR EXPORTING  
OVER 5,000 PRODUCTS

### WHAT IS IT?

A comprehensive online gateway that includes in-depth data on trade agreements, statistics and indicators that measure the structure and performance of trade in LATAM.



### TOOLS

- For Business
- For Negotiators
- For Analysts



### TOPICS

- Legal Framework
- Market Access
- Statistics and Indicators



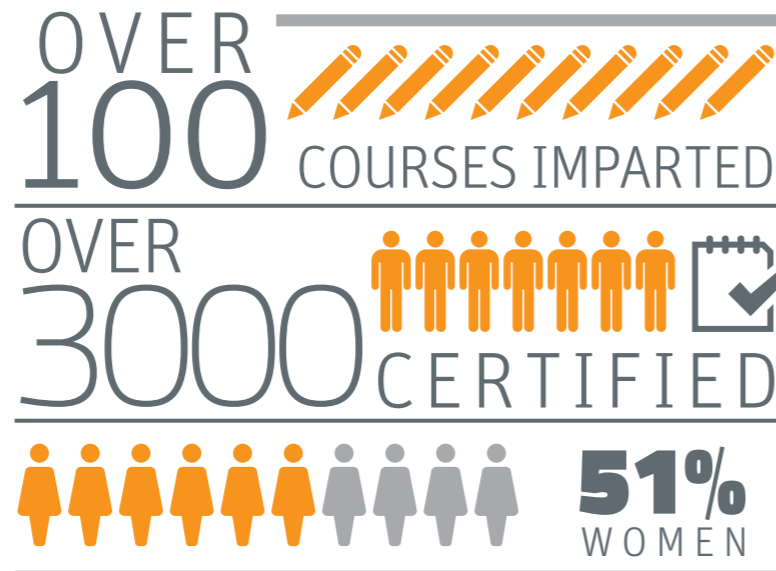
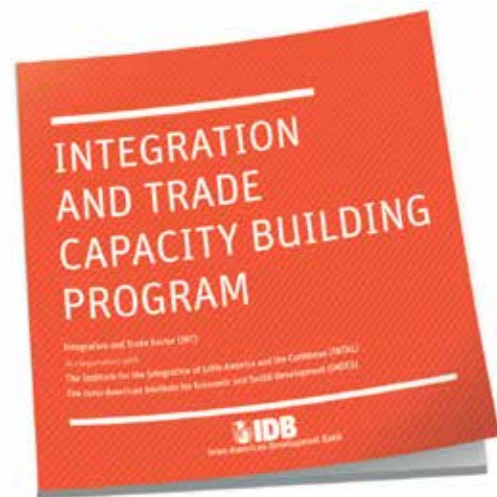
### PUBLICATIONS AND SERVICES

- Trade and Integration Monitor
- Trend Estimations
- Policy Briefs
- Modeling Services



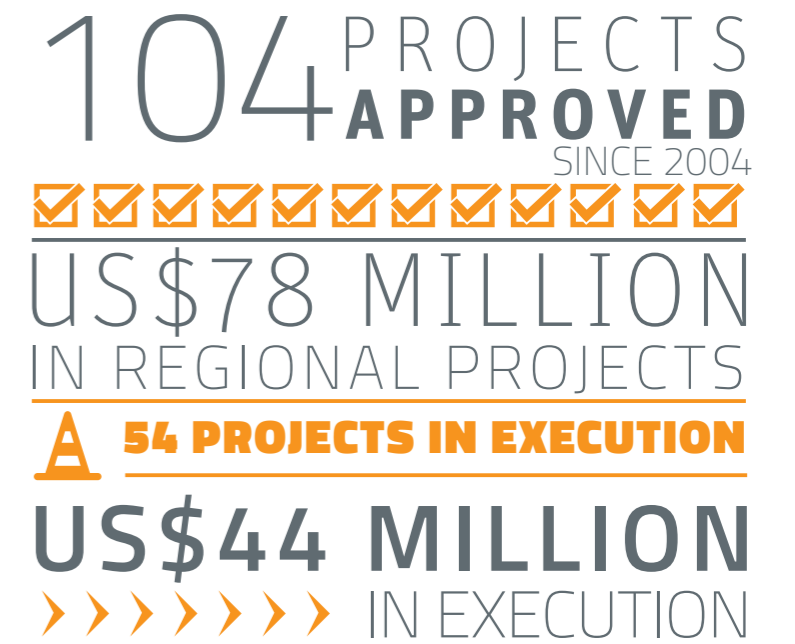
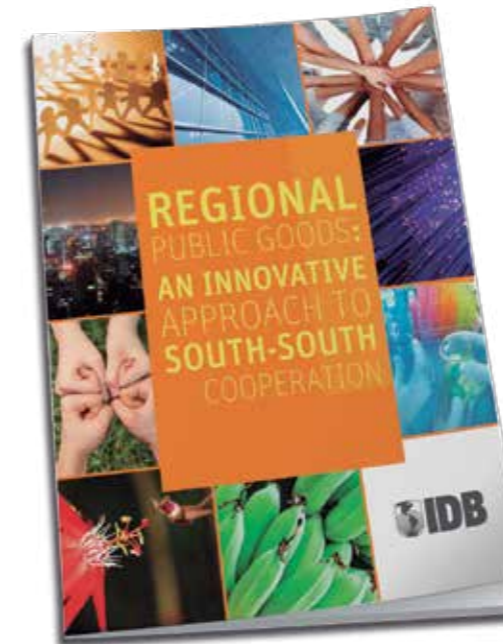
## CAPACITY BUILDING

TRAINING OF PROFESSIONALS FROM TRADE ENTITIES



## REGIONAL PUBLIC GOODS

HORIZONTAL SOUTH-SOUTH COOPERATION



COURSE TOPICS	VIRTUAL COURSES	FACE-TO-FACE COURSES AND SEMINARS	COMMUNITIES OF PRACTICE
+ 20 themes in 4 clusters: Trade Facilitation, Implementation of Trade Agreements, Export Promotion and Investment Attraction, Physical Integration	Customized attention, Specialized tutors, From 6-9 weeks length, Average weekly study of 15 hours, MOOCs (edX and ConnectAmericas)	Imparted jointly with strategic partners (WCO, WTO, ITC ...), Dialogue between specialists, Presentation of case studies.	Innovative 2.0 training, 6 themes, Targeted for implementers, Knowledge-sharing among peers

SECTORS (# PROJECTS)	ANNUAL CALL FOR PROPOSALS	RESULTS	PORTFOLIO
<ul style="list-style-type: none"> <li>Institutions (37)</li> <li>Infrastructure and Environment (24)</li> <li>Integration and Trade (14)</li> <li>Social (28)</li> <li>Research (1)</li> </ul>	<ul style="list-style-type: none"> <li>Open to all sectors</li> <li>Minimum 3 borrowing countries present proposals</li> </ul>	<ul style="list-style-type: none"> <li>Coordination of public policy</li> <li>Promotion of regional cohesion</li> <li>Accumulation of knowledge and innovation</li> <li>Regional strategies for global forums</li> </ul>	<ul style="list-style-type: none"> <li>104 projects approved</li> <li>US \$ 77.8 million invested</li> </ul>

# STRATEGIC PARTNERS

## INTEGRATION FUNDS

### RIIF PARTNERS



### RIIF Multidonor Integration Fund

**Canada, Colombia, Mexico,  
Spain, United States**

Established in the context of the IDB Integration Strategy to support:

- Reforms and regulatory harmonization of integration
- Institutional capacity building
- Simultaneous investment in integration hardware and software

Total contribution:

**US\$22 million**

Projects in execution: **19**

### Aid for Trade Multidonor Trade Fund

**Canada, Chile, Switzerland, United Kingdom**

Established to support the implementation of trade and integration agreements through:

- Strengthening of trade policies
- Promotion of the services sector to increase and diversify trade
- Support for compliance of agricultural standards in export markets
- Promotion of trade facilitation and security

Total contribution:

**US\$14 million**

Projects in execution: **29**

### Aid for Trade Fund PARTNERS





**Integration and Trade Sector**  
Vice Presidency for Sectors and Knowledge

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**[www.iadb.org/trade](http://www.iadb.org/trade)**

**2014**