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MERCOSUR - PACIFIC ALLIANCE SEMINAR



Integration Ideas

MERCOSUR-Pacific Alliance Seminar

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As part of the recent [Summit of the MERCOSUR and Associated States \(link in Spanish\)](#) in Mendoza, Argentina, a seminar was held on July 19, 2017, entitled “MERCOSUR–Pacific Alliance: A Positive Agenda for Integration.” This landmark moment in the rapprochement between the two blocs brought together authorities, representatives from the private sector, and integration experts to work on a concrete agenda for convergence.

The event was prompted by a decision at the [Ministerial Meeting](#) between the two blocs that took place on April 7, 2017, in Buenos Aires. The [agenda \(link in Spanish\)](#) for the event was based on the Road Map that was agreed on at the meeting in April, which defined areas for joint work on issues including regional value chains, trade facilitation, and customs cooperation.

As Argentina currently holds the pro-tempore presidency of the MERCOSUR, the seminar was organized by its Ministry of Foreign Affairs and Worship and the Institute for the Integration of Latin America and the Caribbean (INTAL), part of the Integration and Trade Sector (INT) of the Inter-American Development Bank (IDB).

It was opened by the governor of Mendoza province, [Alfredo Cornejo \(video in Spanish\)](#), who emphasized the importance of an intelligent, federally oriented integration process which should seek to intensify ties within the MERCOSUR and also with the Pacific Alliance. He underlined Mendoza’s strategic importance in building connections between the two blocs, listing different physical integration projects that are currently under construction.

The first speaker at the seminar was Ambassador Horacio Reyser Travers, secretary of International economic relations at Argentina’s Ministry of Foreign Affairs, followed by INTAL director Gustavo Beliz.



[Mr. Reyser Travers \(link in Spanish\)](#) said that the seminar was part of an effort to rebuild trust between the MERCOSUR and the rest of the region despite the challenging circumstances that technological progress and the resurgence of protectionism have created. The aim of the seminar was to identify initiatives to improve integration, in response to a ministerial mandate to promote joint work through existing instruments issued during Argentina’s time as pro-tempore president of the bloc, and which have been backed by Chile and Colombia. Mr. Reyser Travers touched on the upcoming 11th WTO Ministerial Conference, which will be held in Buenos Aires in December 2017, and Argentina’s presidency of the G 20 in 2018, and invited the other countries present to use these spaces to promote the issues that are priorities for them. [Mr. Beliz \(link in Spanish\)](#) thanked those present for the opportunity to play a part in the organization of the event, and drew attention to three issues: the support of the region’s citizens for integration processes (as is reflected in the indicators from the Latinobarómetro survey), the need to look at integration as a “glocal” (global and local) process that we should approach in a granular fashion (“the devil is in the details”) and, finally, the importance of including the “4.0 agenda” that is emerging in global tech trends within our integration strategies. Those who took part in this first panel also included Argentina’s secretary of international relations, Ambassador Daniel Raimondi, and Antoni Esteveordal, manager of the IDB’s Integration and Trade Sector. Next came a high-level public–private dialogue moderated by Félix Peña, director of the ICBC Foundation.



This part of the program included presentations from experts on trade and integration policy from the different MERCOSUR and Pacific Alliance countries. These presentations focused on the international factors that favor a rapprochement between the two blocs and the progress that has already been made in this direction. The speakers argued that the aim should be a cross-fertilization process between the two agreements. In keeping with the road map, they argued that the agenda ahead should include detailed work on trade facilitation, single windows for foreign trade, and convergence on issues such as accumulation of origin, while also bearing matters such as trade promotion and SMEs in mind. The joint work between the two blocs could be complemented by bilateral initiatives. There was also mention of integration with the Asia-Pacific and the urgency of moving ahead with the physical integration agenda. The points raised by the authorities were complemented by the presentations from Roberto Bouzas, from the University of San Andrés, Argentina, and Rubens Barbosa, president of the Upper Council of Foreign Trade of the Federation of Industries of the State of São Paulo (FIESP), Brazil.

In the following two sections of the event, around 30 speakers covered a wide range of issues that may eventually form part of a concrete joint working agenda between the two blocs. Among them were academic experts, officials from national and international organizations linked to trade and integration, and private-sector representatives from the MERCOSUR and Pacific Alliance.

The [closing panel \(link in Spanish\)](#) included Argentina's minister of foreign affairs, Jorge Faurie, and minister of production, Francisco Cabrera, Mr. Cornejo, ambassadors Raimondi and Reyser Travers, and Mr. Estevadeordal and Mr. Beliz.



After Mr. Peña had presented a brief summary of the seminar, Mr. Estavadeordal thanked those present for giving the IDB the chance to play a part in organizing the event and stressed the enormous opportunities ahead for making progress on areas where there is already an alignment between national and regional objectives, such as the interoperability of single windows for foreign trade, which could become a major achievement for the region. He also stressed the importance of issues such as innovation, entrepreneurship, and SMEs, and the need to use creative, pragmatic, flexible, realistic mechanisms to deepen ties between the MERCOSUR and the Pacific Alliance.



Mr. Cabrera said that the integration process is a means for productive development and emphasized the efficiency gains that lower nontariff barriers and trade costs might bring, along with greater regulatory consistency between countries. Mr. Faurie discussed the challenge of an international context in which intermediary countries are struggling to uphold the international trade rule system. He conceived of efforts to improve integration as necessary to making countries in the region economically viable. He thus stressed the importance of bringing different economic spaces like the MERCOSUR and the Pacific Alliance together. In this sense, he argued that work should focus on the guidelines set out in the roadmap, facilitating coordinated initiatives that may be very simple in some cases and may be based on the efficient use of new technology. Argentina's strategic vision for global integration is about deepening ties with neighboring countries, especially the MERCOSUR and the Pacific Alliance. For this reason, the WTO's 11th Ministerial Conference and Argentina's presidency of the G20 are being put forward as spheres for expressing a vision from the global south of how to handle the new challenges that have emerged in the international context. The priority is clearly cooperative work with the countries in the region.

Roberto Bouzas, Academic Director of the Master's in International Politics and Economics, University of San Andrés (UDESA)

Enrique Mantilla, President of the Argentine Chamber of Exporters (CERA)

Rafael Nava y Uribe, President of the International Department for South America at COMCE (Mexico)

Ana Paula Repezza, Director of Productive Integration and Economic Development (Office of the President of Brazil)

Félix Peña, Director of the ICBC Foundation

Millennial Voices

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With the aim of generating knowledge and contributing to analyses of the future of employment, technological change, and regional integration, INTAL/IDB has carried out a research project entitled “The Millennial Beat. Generation Y in the Age of Integration 4.0,” the main findings of which were presented on July 5, 2017, in Buenos Aires.

[Click here to download the entire publication \(link in Spanish\).](#)

The survey was carried out by the consultancy firm Voices! and INTAL/IDB and covered employment and education, values, expectations, views on Latin America and regional integration, the use of technology, and skills in relation to young people in Argentina. It was based on 600 door-to-door surveys of young people between the ages of 18 and 34 from different socioeconomic backgrounds who live in Argentina’s main urban centers. This methodology was complemented by focus groups and in-depth interviews.

“The challenge that Latin America is up against when analyzing this problem is one of social equality. Whether robots will destroy, replace, or create jobs in our region is no small matter: Latin America is the most unequal region on earth, so we need to tackle these issues using new strategies. We need to start discussing a new sociotechnological contract that points technology in a social direction and diversifies the region’s export matrix. At present, the productive matrix revolves around a series of jobs that run the risk of being automated in the near future,” said INTAL/IDB director Gustavo Beliz at the start of the event.



Ana Inés Basco, an integration specialist at INTAL/IDB, and Voices! director Marita Carballo then presented the main findings and conclusions from the project.

The study found that 64% of millennials support trade integration with Latin America. Regardless of their ideological leanings, young people have a very positive image of the continent and strongly support the government promoting trade integration initiatives within the region. “However, they think that social limits should be placed on these processes: the importation of goods and services and immigration policies should be implemented with a view to preserving local jobs,” Ms. Basco advised. On a scale of 1 to 10, where 1 stands for “I completely disagree” and 10 represents “I completely agree,” millennials scored an average 7.2 in favor of the government promoting greater trade integration between Argentina and the rest of Latin America.

Latin America is also the region in the world that the young people interviewed viewed in the most positive light—54% of respondents rated it above other regions. This positive outlook was not affected by respondents’ ideological outlooks.

Regarding the use of technology, although 93% of the young people interviewed owned a cell phone with internet access, 54% do not use technology as part of their jobs. Technology—particularly the internet, mobile phones, and social networks—is an integral part of life for young people from all socioeconomic backgrounds, who mainly use these platforms and devices for entertainment and socializing. “However, technology is used less in the world of work, for training, to access information, for e-commerce, and for collaborative purposes, except among a small group of young people from privileged socioeconomic backgrounds,” Ms. Basco explained.

In other words, changes in consumer habits towards new online options are still in their infancy: e-commerce and sharing economy platforms only see limited use among millennials.

Only 25% of the young people included in the survey had used an online platform to buy or sell products in the previous month. Those most likely to have done so were males from a privileged socioeconomic background and those living in the Autonomous City of Buenos Aires (CABA), who accounted for 40% of this group. Next were those who live in Greater Buenos Aires (25%), followed by those who live in the rest of Argentina (14.8%).



Just 10% of respondents were open to acquiring new consumer habits within the sharing economy, such as buying less and hiring more (for example renting clothes and cars rather than buying them). “The notion of private property is still firmly rooted in this generation,” Ms. Basco observed.

Another defining feature of Argentinian millennials is their distrust of exponential change and institutions. For example, only 25% are open to adopting new technologies. “Millennials are very cautious about the possibility of traveling in driverless vehicles, being operated on remotely or by a robot, or eating artificial meat. They are also reluctant to adopt other habits such as paying their bills online, paying by credit card rather than cash, or voting electronically.”

Respondents were optimistic about their own futures: 7 out of every 10 believe that their lives will be better than those of their parents. “Although they admit that technology and robotics may replace jobs, young people have

high levels of optimism, self-esteem, and confidence in themselves. They think that tomorrow's world will be better.”

Ms. Basco summed up the findings of the survey by saying that “young people from Argentina are not yet on board with the transformation of production patterns. The challenge is helping them do so without neglecting social equality and the gender gap.”

Marita Carballo stressed that this INTAL/IDB study is representative of the population as a whole. As she pointed out, “7 out of every 10 young people are employed. What they are looking for in a job is to combine formal employment with flexibility and autonomy. In other words, they want good contract conditions, a good salary, social security cover, and medical insurance, but they also want enough independence to ensure a good work-life balance.” Regarding the automation of the labor market, she said that “despite the widespread idea that robots will soon carry out most of the work that humans currently do, only 25% of the respondents were afraid that their job would be replaced in the future.”



Cell phones are the device that millennials use the most. “About 93% of millennials have a cell phone with internet access and they spend an average four hours a day texting and three hours a day on the web. They mainly use the internet for socializing, as a way of connecting to their friends and family. They also use it for studying or working, but to a lesser extent,” Ms. Carballo said. “But they prefer the off-line world and face-to-face

relationships,” she added. The most popular social network is Facebook, which 97% said they used, followed by YouTube (63%), Instagram (49%), and Google+ (45%).

“The majority think that health and education are the two areas that stand to benefit the most from science and technological innovation, but they are less confident about the role that these will play in narrowing the inequality gap or improving citizen security,” Ms. Carballo observed.

“Millennials are a very disparate group,” she concluded. “To understand them better and to design effective policies, we need to look at this entire generation, which represents our country’s future. These young people trust in their own skills and believe that they will have a better quality of life than their parents. This is true across the socioeconomic spectrum. Millennials are optimistic about the future.”

Discussion

After the presentation of the main findings of the survey came a discussion chaired by Mr. Beliz which also included Laura Briano, Human Resources Service Delivery Lead for Latin America for the consultancy firm Accenture, and Andrei Vazhnov, academic director at the Baikal Institute. The two gave their opinions on the role that Latin America is playing in the development of global technology services and the skills its inhabitants need to find jobs in this industry.

“Latin America is really positioning itself in the world as a region with technological talent. There are different factors that play a part in this, such as its geographical location in a time zone that is ideal for providing services to the United States and Western Europe,” Ms. Briana argued. “Education levels in Argentina are particularly high and its universities are known to be excellent, so the country has a reputation for talent. Another factor that helps in working with the rest of the world is that many people speak English, and the fact that it has a large immigrant population means that there are also people who speak another second or third language, such as Portuguese, Mandarin, German, or French. Our history has enabled us to work well in grey areas and in an unstructured fashion, and that flexibility is really valued,” she said. “At Accenture, we believe that Argentina is an important center for developing new technologies and providing services with high value added at a reasonable cost.”

In reference to the skills that young people need to develop, Ms. Briano drew attention to “mental agility and the ability to learn quickly, because the fact is that everything we learn and know today may not be useful in 10 years’ time. Flexibility and the ability to learn new things is of paramount importance.”

“In the era of robotization, being able to relate to others will really be valued,” Mr. Vazhnov added. He discussed the idea of the “self-programmable worker,” which refers to people who have the ability and attitude to engage in learning continually and independently. “This is a key skill that adds enormous value, but very few people currently have it,” he admitted.



Vazhnov also discussed the challenges that the country is facing in terms of diversifying its productive matrix. In his view, public policies should focus on a 10- to 20-year period and seek to “strengthen the foundations of each country’s competitive advantages.” In Argentina, this would imply “using more technology in the world of agriculture and natural resources,” he argued. He added that exports of software services, including artificial intelligence, virtual reality, and robotics, and activities related to producing entertainment are other possible areas for economic diversification. “We need to understand that technology is now part of every sector,” he said.

The European Union's Negotiations Activism

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Over the last two and a half years, the European Union has signed trade agreements with ten countries and is negotiating with 16 more. These new agreements are being added to the list of existing agreements that the bloc has with 48 of the world's economies. The negotiations that are currently underway with the four founding members of the MERCOSUR could culminate in an agreement that deepens ties between the EU and Latin America and the Caribbean.

This negotiations-oriented activism may go unnoticed in a context that is overshadowed by Brexit and the snail's pace of megaregional initiatives and those within the structured multilateral forum at the World Trade Organization (WTO). But despite these trends, the EU has kept up its negotiations on several fronts and has begun to develop strategic standpoints on integration processes. In May 2017, the European Commission published *Harnessing Globalisation*[\[1\]](#), a reflection paper that argued for the need to include mutually binding rules in agreements such that growth in trade and economic activity have broader impacts that favor all involved. It also suggested that internal policies need to be implemented to support integration if we want to see better integration results. The study underlined the importance of harmonizing regulations relating to the production of goods and services and how they are traded on the market. Issues such as workers' and consumers' rights and environmental regulations are relatively important in this sense.

This reflection on integration processes is connected to the EU's historic flexibility when it comes to establishing external ties: as is well-known, the bloc takes different approaches to extraregional agreements that can be classified into three broad groups, the first two of which involve trade policy. These are:

- Customs unions, in which tariffs on bilateral trade are eliminated and a common tariff is established for imports that are not included in the agreement.
- Association agreements, stabilization agreements, free trade agreements, and economic association agreements, through which tariffs on bilateral trade are removed or reduced.
- Association and cooperation agreements, which establish a general framework for bilateral economic relations but do not touch on issues such as tariffs.

The proportion of the EU's trade that is covered by trade agreements gives a sense of the scale of the bloc's extraregional initiatives—in 2015, 26% of total flows (exports plus imports) fell under one of these schemes (figure 1).

Figure 1. European Union Trade by Partner, with or without Agreements.

2015



Note: LAC: Latin America and the Caribbean. 2015–2017 agreements: these include agreements that were signed or entered into force in this period; they also include the EU–Japan agreement, which has not yet been signed but negotiations toward which have been successfully completed. Pre-2015 agreements: these include agreements that entered into force before 2015. *Member countries of the Regional Convention on Pan-Euro-Mediterranean preferential rules of origin. Source: IDB/INTAL using data from BACI and the European Commission.

Ahora bien, entre ese año y mediados de 2017, el bloque ha firmado acuerdos que cubren un 7% adicional del comercio (cifras de 2015) y se encuentra negociando por otro 11% de esos flujos. De culminarse exitosamente esas negociaciones, en torno a un 45% del intercambio comercial extra-bloque estaría enmarcado en algún acuerdo comercial.

Por su peso económico, pueden destacarse dos casos dentro de la reciente corriente negociadora europea. En primer lugar, el acuerdo con **Canadá**, país que explica 2% del intercambio extra bloque de la UE y socio con el que además tiene un fuerte superávit comercial. El Acuerdo Económico y Comercial Global (CETA, por sus siglas en inglés) fue firmado en octubre de 2016 y será aplicado de manera provisional a partir de septiembre de este año; [1] “provisional” significa que se implementarán las cuestiones relacionadas con el comercio, mientras que aquellas que involucren temas de inversiones solo se aplicarán una vez que entre totalmente en vigor. El acuerdo liberaliza 99% del comercio bilateral: en siete años las tarifas sobre productos industriales desaparecerán por completo. Significativamente, 92% de las líneas arancelarias de productos agropecuarios serán liberalizadas, aunque se mantendrán las cuotas en algunos productos sensibles para la Unión Europea como el maíz y las carnes

bovinas y porcinas, y productos lácteos para Canadá. El Acuerdo deja por fuera el comercio de carne de aves y huevos.[2] En cuanto a servicios, el CETA es el acuerdo de mayor alcance que ha firmado la Unión Europea: según estimaciones de la Comisión Europea[3] la mitad del crecimiento previsto derivado del CETA se originará en el comercio de servicios.

However, between then and mid-2017, the block has signed agreements that cover an additional 7% of its trade (in 2015 figures) and is currently negotiating agreements that cover another 11% of these flows. If these negotiations reach successful conclusions, around 45% of extrabloc trade will be covered by trade agreements. The economic importance of two of these cases makes them particularly noteworthy within the EU's recent spate of negotiations. The first is its agreement with Canada, which accounts for 2% of extrabloc trade and with which the EU has a strong trade surplus. The Comprehensive Economic and Trade Agreement (CETA) was signed in October 2016 and will be applied provisionally as of September 2017:[1] "provisionally" means that trade-related initiatives will be implemented at this point, while those that focus on investment will only be implemented once the agreement has entered entirely into force. CETA liberalizes 99% of bilateral trade: tariffs on industrial products will disappear altogether within seven years. Significantly, tariffs will be eliminated on up to 92% of agricultural products although they will remain in force on certain sensitive products such as beef, pork, and maize for the EU and dairy products for Canada. Trade in poultry and eggs is not covered by the agreement.[2] With regard to trade in services, CETA is the furthest-reaching of the EU's agreements to date: according to European Commission estimates[3], half of the estimated growth that the CETA is expected to bring will come from trade in services.

Second, the Economic Partnership Agreement with **Japan** was closed in July 2017 following 18 negotiation rounds over the course of four years. Trade with Japan represents around 4% of the EU's extraregional trade flows. When the agreement enters into force in 2019, 90% of Japan's imports from the EU will enter the country tariff-free and tariffs will be removed gradually on a further 7% of products. In particular, 87% of European agricultural products will enter Japan at a zero-tariff rate. Some of the products that stand to gain the most from the agreement are agricultural products, such as beef and pork, wine, and cheese, and various processed agricultural products. Likewise, tariffs on industrial products will be eliminated entirely.[4]

As a result of recent negotiations, the EU has signed agreements with Bosnia and Herzegovina and the Republic of Moldova, two countries that are also members of the [Regional Convention on Pan-Euro-Mediterranean preferential rules of origin](#). Although these two economies play a relatively small role in the EU's extraregional trade, they are now part of a network that has been articulated by the convention mentioned above. The aim of this instrument is to allow accumulation of origin among all countries that are party to it (all of which are economies that are integrated through a network of free trade agreements) through the implementation of a single legal instrument that will replace the nearly 60 earlier bilateral protocols on the issue. The signatories to this convention include advanced economies that are members of the EFTA (Switzerland, Norway, Iceland, and

Lichtenstein) and a group of developing countries, notably Turkey, Algeria, Egypt, and Morocco, among others. This second group accounts for 9% of the EU's extraregional trade. The inclusive design of this convention and the network of agreements that it brings together will stimulate regional value chains by reducing the cost of moving products through various countries that may specialize in different stages in production processes.

The most significant of the EU's other ongoing trade negotiations include those with eight economies from the Association of Southeast Asian Nations (ASEAN), which represents 4% of its extraregional trade, and with India, Mexico, and the MERCOSUR, each of which accounts for 2% of this.

The negotiations with the **ASEAN** (8) countries are at different stages. While the agreement with Singapore has already been signed and negotiations with Vietnam have concluded, talks with India, the Philippines, and Myanmar are still underway. Negotiations with Malaysia and Thailand are currently on hold. Talks with **India** resumed in 2016 following an impasse caused by initial differences of opinion regarding the extent of the agreement.

The EU already has agreements in force with 15 Caribbean countries (CARICOM and the Dominican Republic), six in Central America (which together form the Central American Integration System, SICA), and four in South America (Chile, Colombia, Ecuador, and Peru). The agreement with Ecuador has been provisionally applied since January 2017. Talks are underway with Mexico and the four founding members of the Southern Common Market (MERCOSUR).^[5]

Mexico has a Global Agreement in force with the EU since 1997, but it was decided in May 2016 to begin negotiations toward modernizing the trade pillar of this agreement. The fourth round of this process took place between June 21 and July 5, 2017, in Mexico City, and the next will be held in Brussels between September 25 and 29.^[6]

Negotiations with the **MERCOSUR** have stretched out for over a decade.^[7] The 28th round of talks took place in Brussels between July 3 and 7, 2017, and the next will be held in Brasília between October 2 and 6. Some texts have largely been agreed upon, namely those relating to customs facilitation, administrative assistance, financial services, and movement of capital. There has also been significant progress on trade in goods, services, government procurement, geographical indications and destinations of origin, sustainable development, and dispute settlement.^[8] It has been suggested that the agreement may be signed toward the end of 2017.^[9]

In conclusion, the EU has kept up a negotiation strategy that has begun to bear fruit in recent years. Its negotiating position offers Latin America and the Caribbean the possibility of cementing more up-to-date preferential trade agreements. Tangentially, the trade architecture that the EU and its Mediterranean partners have designed to incentivize regional value chains may also provide interesting opportunities for improving the region's network of agreements.

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[1] European Commission (2017b).

[2] European Commission (2017c).

[3] European Commission (2017d).

[4] European Commission (2017f).

[5] European Commission (2017g).

[6] European Commission (2017h).

[7] For a detailed analysis of EU–MERCOSUR negotiations, see Makuc, Rozemberg, and Duhalde (2015).

[8] European Commission (2017i).

[9] Schmidt, H. (2017).

The New Potential of Lithium

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The massive spread of portable electronic devices has driven the development of the battery industry, which is seeking to produce more efficient, better performing batteries at lower costs. The demand for greater autonomy and battery power has taken off with the spread of smart phones, tablets, and laptops, although the needs of terrestrial and air-borne mobile robotics are also becoming more pressing. Other factors that are also giving this market momentum are the transition to electric transportation—cars, buses, motorbikes, bicycles—and the need to store solar and wind power.

The lithium ion batteries that are now standard are a mature technology that Sony first began to sell in 1991. According to the consultancy firm Allied, the global market for Li-ion batteries will reach US\$46.21 billion in 2022, much of which is explained by the growing electric transportation industry. Within the first segment of the value chain, global demand for lithium reached 188,000 tons in 2017, according to mineral consultancy firm SignumBox. The more conservative scenario the firm is estimating for 2035 would be a market of approximately 610,000 tons of lithium carbonate, half of which would be used to produce batteries, but its more optimistic predictions suggest that demand may increase to as much as 1.2 million tons.

Meeting demand for lithium has become a priority for technology firms and vehicle manufacturers, so much so that the price per ton has risen between 40% and 60% since 2015 globally, but 300% in China, according to a report published by the US Geological Survey.

The impact this will have on Latin America and the Caribbean is considerable, as more than half of the world's lithium reserves are in the salt flats of Argentina, Chile, and Bolivia. Different initiatives are currently underway in these countries to increase production and exports of the raw material, attract investment, introduce sustainable mining techniques, and install battery assembly plants.

Li-ion battery production is concentrated in China, Korea, Japan, and the United States and is led by global players such as Panasonic, Samsung, LG, Samsung, Sony, and CATL, who are starting to establish strategic partnerships with mining companies to guarantee their lithium supply. One of the major players in the battery world is undoubtedly the electric car manufacturer Tesla, which entered into a partnership with Panasonic and invested US\$5 billion to set up a battery factory in the US state of Nevada, mainly to supply batteries for its Model 3 car, which will be launched at the end of this year. The Gigafactory, as the plant is known, will produce 500,000 batteries a year.

Electric car manufacturing is transforming the lithium market. “A single Tesla battery contains as much lithium as 17,000 cell phones,” says Ernesto Calvo, a CONICET researcher from Argentina and the director of the

Institute of Physical Chemistry for Materials, the Environment, and Energy (INQUIMAE) run by the University of Buenos Aires and CONICET. According to the consultancy firm Roland Berger, the countries that are leading sales of hybrid and electric cars are China, the United States, France, Germany, and Japan, spurred on by government subsidies and regulations. In China alone, sales of these types of vehicles passed the 350,000 mark in 2016; and the country has also set itself the ambitious target of concentrating 20% of the electric car market by 2025, and between 40% and 50% by 2030.

Can lithium production and battery manufacturing meet demand on this kind of scale? “Because of the expectations that have been building around the development of electric cars, a large number of Li-ion battery factories have been built throughout the world, but investment in lithium mining has not kept pace with this growth, so there is currently a gap between the production of raw lithium and the demand for it in battery manufacturing. In fact, the country where lithium carbonate production has grown the most is Argentina, where it has risen by 16%,” says Daniel Barraco, director of the Sustainable Energies Laboratory (LaES) at the National University of Córdoba.

How can Latin America play a more prominent role in this industry? “It’s an emerging market, a window of opportunity. We could play a part by developing battery factories for the automobile industry or attracting investment for doing so: Latin America is going to need its own Gigafactory to supply the domestic market and the vehicle factories that are based in the region,” says Jaime Alee, the former director of the Lithium Innovation Center at the University of Chile and the founder of the start-up ELIBAT. “The next four or five years will see growing demand for services related to batteries for electric cars, bicycles, buses, and motorbikes, including technical support, monitoring, maintenance, and charging stations. A new chain of parts and components for the electric vehicle industry will also open up, which will require other types of services. In Chile, for example, there is an electro-mobility plan in Santiago, which means that 100 electric buses will be added to the fleet. This is a challenge, as it will be one of the largest electric fleets in the world and will spark a change in the transportation paradigm.”

Clean Energy

“Lithium is the lightest metal and is highly electropositive, which makes it ideal for storing electricity in chemical form,” says Ernesto Calvo in one of his publications. But he warns that “whether electric vehicles with greater autonomy become a reality depends on the development of lithium-iron, lithium-air, and lithium-sulfur batteries.” What challenges is the industry facing?

The problem is that vehicle batteries are currently expensive (approximately US\$10,000) and only provide 150 kilometers of autonomy. This is why R&D at universities and firms throughout the world is focusing on developing lithium-air batteries, which could compete with gasoline or diesel. “We need to distinguish between

the Li-ion batteries that we use in cell phones and laptops and the advanced lithium-air batteries which are the only type that can match the energy density of fossil fuels and which are needed to achieve autonomy of over 200 kilometers in an electric car,” Calvo explains. “However, there are no commercial models available yet and the stability of their components is still being researched, as is their loss of capacity with each charge cycle.”

INQUIMAE is also researching this technology. “We are still at the laboratory stage—there are a lot of technical problems to be solved before we reach the market,” says Calvo. “Lithium-oxygen is a new technology and we are studying the fundamental electrochemistry of it because the problem with these batteries is that capacity drops after several charge cycles.”

The team of researchers that Calvo leads has created a new, more sustainable method for lithium extraction that does not cause evaporation or water loss and is also quicker than the technologies that are currently being used. “If demand for lithium increases and 100,000 tons need to be produced, for example, then that would multiply the impact on the environment,” he argues. This process, which has already been patented, earned Calvo the DSM Bright Minds Challenge Award in June 2017. The next steps are to study the electrochemistry of the process and develop the engineering side, with the aid of the 500 hours of expert support that will be provided by the companies that organize the award. “Our aim is to establish a pilot plant to extract 100 kilograms of lithium carbonate per day and prove that our method is industrially viable. After that, we will need investment to keep scaling up the process,” says Calvo. The consortium behind this project is made up of the University of Buenos Aires, CONICET, and the National University of Jujuy.

Argentina has active salt flats in the provinces of Catamarca, Salta, and Jujuy and is hoping to triple its current lithium production capacity (35,000 tons per year) by 2021 through new investments and projects. The value of exports is expected to climb to the US\$800 million. As a consequence, the state-owned firms Y-Tec and Jujuy Energía y Minería (Jemse) signed an agreement this year with the Italian firm FIB-FAAM (SERI Group) to set up a battery cell manufacturing plant in the town of Perico. The project will require an investment of US\$49 million over 12 months. According to the government of Jujuy province, the aim is to add value to local lithium production. To develop this technology, the factory will be working with the Lithium Institute, which depends on the National University of Jujuy and CONICET.

Another country that is pursuing the industrialization of lithium is Bolivia, which implemented a pilot battery assembly plant three years ago, a turnkey project developed by a Chinese firm. Bolivian professionals are learning to use these technologies on-site.

Adding Value

Chile is also preparing to meet the growing global demand for lithium. “According to our prospective studies, electro-mobility will experience a global boom partly due to the Paris Agreement on climate change but also because of the Chinese government’s concern over pollution levels in the country’s main cities. The way they are planning to address this is through electric transportation, which uses Li-ion batteries,” says Eduardo Bitrán,

vice president of Chile's Production Development Corporation (Corfo), which launched an international call for tender to attract investment for industrializing lithium production. According to Mr. Bitrán, other trends that are feeding this demand are the shift toward solid-state batteries, which are safer and more efficient than the technology that is currently in use, and the spread of renewable energy sources, such as solar and wind power, which need stationary storage to solve intermittency problems.

For Chile, global lithium demand is an opportunity to increase its exports and diversify the economy by developing activities that add value to this raw material. With this end in mind, in June 2017 Corfo and InvestChile closed the call for local and international firms to tender investment projects for industrializing lithium carbonate and developing other complementary materials. Following the signing of a specific agreement, the Albemarle company, which is currently operating in the Atacama Salt Flat, will provide 25% of its lithium output at a preferential price from now until 2044 to be used for these activities.

Twelve proposals were put forward from companies such as Unicore and Samsung, which are currently being analyzed on the basis of different economic, technical, and environmental traceability factors. The projects that have prequalified will be announced in August, and these must provide a binding offer including a bid bond for approval in January 2018. "The proposals are mainly for manufacturing cathodes and cathode materials (which are components of batteries) for assembling lithium batteries and developing batteries for LED lighting," Mr. Bitrán explains. "The idea is to set up this manufacturing process in Chile because we have all the necessary inputs and sufficient solar energy at reasonable prices."

"We put out the call to tender to attract firms that can add value to lithium and develop other complementary inputs that are available in Chile, such as cobalt and phosphate, so that we can at least reach the global market with cathodes and then move up the value chain," says Mr. Bitrán. "If we achieve our aims, which also involve incentives for extracting lithium from other salt flats and improving the efficiency and output of those that are currently in operation, by 2035 Chile will be able to export 500,000 tons of lithium at approximately US\$8,000 per ton, including products with value added. This will make lithium the second-largest export sector in Chile."

[V1]Soledad: el original no decía si esto era el precio por tonelada. Entiendo que sí.

South America to Implement 14 Integration Projects by 2022

- [Inspiring Activities](#)
- [n251](#)

A regional meeting was held in Montevideo on July 11–13, 2017, to plan and implement South America’s integration infrastructure priorities. Support for the event was provided by the *Institute for the Integration of Latin America and the Caribbean (INTAL)*, which acts as the Secretariat for the Technical Coordination Committee. The event brought together national coordinators and expert delegates from the different governments, representatives from consultancy firms, and authorities from the Inter-American Development Bank, the Development Bank of Latin America, and the Financial Fund for the Development of the River Plate Basin.

On [July 11](#), the country delegations continued with the work of analyzing and updating the [COSIPLAN Integration Priority Project Agenda \(API\)](#), which they had begun [in April in Buenos Aires](#).

The aim of the meeting on [July 12](#) was to update the planning and implementation initiatives that the countries have committed to in relation to integration infrastructure as part of the [Strategic Action Plan 2012–2022](#). This exercise consists of reviewing the work that has been carried out over the last five years in the light of the new international context in which UNASUR countries now find themselves.



Priority Integration Projects

During the first day of the event, the delegations from the different South American governments reviewed the projects that make up the API to bring these priorities in line with current political and economic dynamics, look to the future, and focus on those works that make the most efficient use of resources and produce the greatest benefits for South American citizens.

Those present at the meeting in Montevideo identified 14 connectivity projects which will be implemented in the next five years and a further 12 that will be completed by 2027. The results of this work and a list of the priority projects in question will be presented to COSIPLAN ministers in Buenos Aires in December.

Work is currently underway and on schedule on six of the 14 connectivity projects that are due for completion by 2022. These are the [Caracas-Bogotá-Buenaventura/Quito Road Corridor](#); the [Desaguadero Binational Border Service Center](#); the [Itaipú-Asunción-Yacretá 500-KV Transmission Line](#); the [Infante Rivarola-Cañada Oruro Border Crossing](#); the [Northeastern Argentina Gas Pipeline](#); and the [Porto Velho-Peruvian Coast Connection](#).



Fernando Álvarez de Celis, Argentina’s undersecretary for the territorial planning of public investment, expressed the hope that these infrastructure works that COSIPLAN is promoting will bring social transformations.

He explained that one of the core aspects of the analysis process was establishing priorities based on available financing, so as to define a smaller short-term portfolio containing executive projects that ensure the works in question will be completed.

Mr. Álvarez de Celis, whose country currently holds the pro-tempore presidency of COSIPLAN, admitted that interconnection with most countries in South America is complex, which makes it hard to achieve the objective of a single, integrated Latin America.

However, he added that “once these infrastructure works are up and running, it will be very difficult to go back, which is why they are so important. They will change South America for ever by connecting its countries and bringing them together.”

On behalf of Chile, Rigoberto García, the international coordinator at the Ministry of Public Works, argued that it was important for integration projects to be state programs, so that changes of government would not affect their implementation.

Rail Integration

On [July 13 \(link in Spanish\)](#), Pablo Genta, Uruguay's national director of planning and logistics, presented "Inputs for drafting a strategy to facilitate South American rail integration", a study that was financed by the UNASUR's Common Initiatives Fund. The document was coordinated by Uruguay's Ministry of Transportation and Public Works. Technical officials from all the countries in the region were actively involved in drafting it and it served as a starting point for the discussions that took place during the rest of the meeting.



Progress reports were also presented on three rail corridors: the Salta–Socompa–Antofagasta Rail Corridor (Argentina–Chile); the Southern Trans-Andean Railway as part of the Bioceanic Argentina–Chile Corridor; and the Central Bioceanic Corridor (Brazil–Bolivia–Perú).

Inspiring Activities

Collective Technology

- [Inspiring Activities](#)
- [Integration Ideas](#)
- [n251](#)

The seminar on social innovation was held on June 14, 2017, as part of the *Inspira* series of talks that Argentina's Ministry of Modernization is organizing in partnership with INTAL/IDB to train public sector officials and employees. On this occasion, the main speakers were the directors of three NGOs: Jorge Riva Mosquera, director of SocialLab; Marta Bekerman, a lead researcher at CONICET and the director of Avanzar; and Ignacio Mendizábal, director of the Center for Integrated Assistance for Inclusion (CAII). Also present was Ignacio Gregorini, national director for social innovation at Argentina's Ministry of Production.

At the start of the event, INTAL/IDB consultant Ramiro Conte Grand presented the INTAL NODE i+i (Regional Integration + Social Inclusion) initiative, a forum for shared thinking which aims to spread inspiring ideas for narrowing the inequality gap in the Americas through regional integration and strengthening social cohesion. One of NODE i+i's activities last year, for example, was publishing and presenting the book *Has Latin American Inequality Changed Direction?*, while in 2015 it organized a seminar in the United States, *Inspiring Ideas to Narrow the Inequality Gap in the Americas*.

The next speaker was Jorge Riva Mosquera, who began by briefly reviewing major recent technological advances and their impact on the world. "In the 1960s, NASA's entire computing power was less than what we now carry in our pockets." He added, "Technology advances quickly, but the future that has already arrived in the lives of many people has not yet been distributed to many more. One issue that we urgently need to address is that we are currently witnessing a lot of development but also many environmental and social problems that we urgently need to solve. Latin America is rich in natural resources but it is the most unequal region on earth. There is a lot of development and progress, but it is badly distributed," he argued.

Mr. Riva Mosquera, who is the director of SocialLab, said that technology is "a major opportunity, it is a really significant tool that we need if we want to scale up solutions." He added that "at SocialLab, our main focus is on social and environmental problems, which are multidimensional."

He said that the organization is working to survey problematic issues and "make them visible," which is fundamental to being able to understand them better. Another objective of this NGO is communicating and

transmitting these problems clearly and simply, “so that any citizen or institution can think up and put forward a solution that can be transformed into a scalable initiative.” Based on this premise, “our online platform contains many open innovation challenges, where we help to raise the profile of problems that NGOs, private firms, the government, or other organizations have identified.” For example, he mentioned an initiative that the organization is carrying out in partnership with the Ministry of Tourism. “We are working on a competition to develop solutions through an innovation challenge for the tourism industry which aims to create jobs and incentivize tourism within the country. We launched the competition in October last year and we have received over 1,000 ideas and projects. We are now focusing on the 100 best proposals—the idea is to help the people behind them develop those solutions.”

According to Mr. Riva Mosqueta, “we don’t just evaluate social enterprises in terms of their economic impact: we also look at their potential social and environmental impact,” he argued. Two other projects that SocialLab is supporting are [Incluyeme.com](#) [[IncludeMe.com](#)] and [Nuestras zapatillas son basura](#) [[Our Sneakers Are Garbage](#)].

Ms. Bekerman then spoke on the overall long-term situation in Argentina. “In the 1970s, 4.5% of Argentina’s population were below the poverty line, but that figure is now above 30%. This is a sad example of a country where poverty levels have risen, within the most unequal continent on earth,” she argued. “What we’re facing today is not just unemployment, but extreme unemployment, which is hard to revert in some sectors of the population.”

She argued that technology can be seen in two ways: as a productive tool that enables development, competitiveness, export diversification, the creation of skilled jobs, and improvements to quality of life, but also as a tool “that can be applied to social innovation to promote social inclusion.” She added, “social innovation is fundamental for getting people away from the margins of society and out of poverty.”

Ms. Bekerman defined economic development as a process that begins by “expanding people’s abilities.” From there, her NGO, Avanzar, aims to contribute to development by facilitating access to capital and assets via microfinancing. It also provides training and knowledge for people living in slums and underprivileged neighborhoods in the City of Buenos Aires.

“The lack of formal jobs in Latin America means that micro-enterprises are becoming increasingly important because they provide work. Most enterprises in slums are small businesses, tiny subsistence operations. We need to strengthen them and provide them with assets,” she argued.

With that aim in mind, she created Avanzar 17 years ago to “expand the abilities of the underprivileged.” In its early stages, the organization provided microfinancing and training to help build up these enterprises. “Then we started providing life insurance and now we’re thinking about moving into health insurance,” Ms. Bekerman revealed. Avanzar mainly works in slums in communes 4 and 8 in the City of Buenos Aires, where in addition

to microfinancing it provides courses for hairdressers, leatherworkers, and electricians, and training on costs, sales, administration, and management.

From the public sector, Ignacio Gregorini discussed his role leading the National Department for Social Innovation, which was created in December 2015 and is part of the Secretariat for Entrepreneurs and SMEs. “It is important for public policy to start to address the causes of these problems focusing on specific territories, thinking about local development, working on housing, health, developing production, and entrepreneurial development,” he said.

Mr. Gregorini said that his department has two specific work areas. The first of these focuses on getting young people who wish to start an enterprise to think about the sustainability of the project from the very start. “To achieve this, we work with ten incubators that can help and advise them. It is important for young people to start thinking in terms of sustainability. The great challenge is thinking about training, technical assistance, logistics, and scale from the point of view of processes,” he argued.

The second area attempts to strengthen social economy networks. “That’s where social innovation is, in the work that the national, provincial, and municipal governments carry out with chambers of commerce, universities, and organizations,” he explained. “We need to create strategic development plans to add value to production processes that take place within the popular economy, which is driven by craftspeople and small-scale agricultural producers.”

In the province of Jujuy, for example, the department is working to develop social economy networks among weavers and other textile craftswomen. “We are trying to develop a design that centers on the territory itself and on existing socioproductive networks,” Mr. Gregorini said of the initiative, which INTA, INTI, and the Secretariat of Family Farming are also involved in. As part of this initiative, a shop has been opened in Purmamarca, Jujuy, where three artisanal textile organizations have formed a cluster. “At the Ministry of Production, we are proposing innovative commercial strategies that won’t be relevant to most craftspeople but that may help those who have already developed their businesses,” he commented. He admitted that most players in the popular economy have no access to high-quality technical assistance, design, and logistics. “We want to democratize access to these things. When we design policies, it is important to think beyond the formal, competitive, productive economy. We must not forget the other sectors of the economy.”

Another of the department’s projects aims to develop technology firms through a partnership with Invap and SocialLab. “We are also promoting incubators, which are organizations that select and support these start-ups. We will be launching a competition for all tech or science-based firms in Argentina that are impacting social issues, many of which operate in the health and environment sectors. We are going to run incubator and accelerator programs with Invap, with the help of the best engineers in Argentina.”

Finally, he argued that the greatest social innovation challenge is thinking about integration and inclusion. “How can we get both large firms and SMEs from Latin America and the Caribbean to start to work with initiatives

from the social and popular economy?”, Mr. Gregorini wondered. “That’s where we need to attack systemic or structural issues. We need to start thinking about innovative projects to facilitate these processes,” he added. He mentioned that the department is working to develop a value chain with a large consumer company that will “work with cooperatives or firms that make a social impact, or a mix of the two. It’s a huge challenge.”

Ignacio Mendizábal commented on CAII’s experience in different sectors such as health, education, employment, and support for schools. “Our mission is to generate systematic inclusion processes. We are trying to provide a comprehensive response to poverty,” he said. Poverty is not just about a lack of access to many resources but is also about the quality of services that are provided. The social context often cannot respond to these needs or falls short of doing so.”

Mr. Mendizábal described the CAII Online tool that the NGO has recently launched. “CAII works from different perspectives, with a strategic vision. Although social assistance is on the rise, we have not managed to fully develop a virtuous circle through which each family can progressively improve their quality of life. We have contributed to doing so, but we have not been able to develop a systematic process for inclusion. The different social organizations that are working in underprivileged areas are often unaware of all the services that are available in these, as connections and relationships are often very informal. The services that NGOs provide often end up duplicating other services instead of complementing them. We need to ensure that the same services are not repeated in a given area.”

Based on this diagnosis, CAII developed its online social innovation platform which aims to gather, store, and circulate georeferenced information on the different services that are provided in each area. The aim of this data tool is to articulate and complement the work that different NGOs carry out. “We hope that it is a step in the right direction, a way to develop methodologies and social projects and help to fill in the gaps in the social support network. We are trying to respond better to families’ needs,” Mr. Mendizábal said. The platform is an app that allows users to upload people’s specific needs and then identifies the organizations that provide those services in the area in question. “The idea is to connect people’s needs with institutions and organizations that can respond to them. This will allow organizations to share the services that they provide and to give people a ‘one-stop shop’ for accessing these services.”

[V1] Soledad, esta es el eslogan de la empresa pero creo que se llama Xınca.

THINK TRACK MC11 — Call for papers and proposals for panel topics

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Progress on Energy Integration in South America

- [Inspiring Activities](#)
- [n251](#)

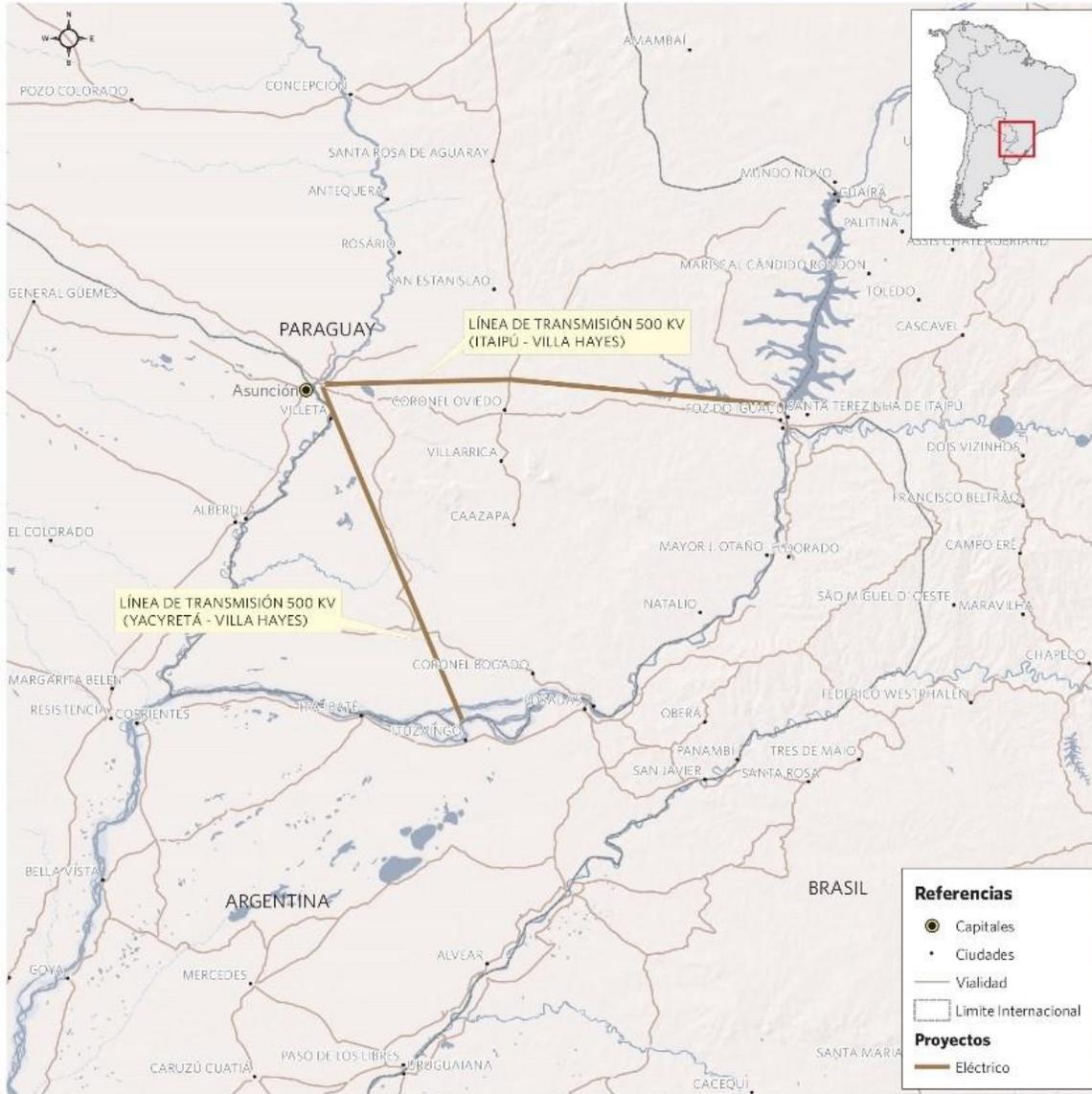
Paraguay is close to completing a major project to improve electrical distribution within its borders and over the border into Argentina. An estimated US\$852 million has been invested in the project, which consists of two 500-KV transmission lines to connect the town of Villa Hayes, near Asunción, with the [Itaipú](#) and [Yacyretá \(link in Spanish\)](#) hydroelectric power stations.

This project is part of the [Integration Priority Project Agenda \(API\)](#) organized by the [UNASUR's South American Infrastructure and Planning Council \(COSIPLAN\)](#). Its inclusion in the API is a testimony to its importance to regional integration, which is reinforced by its being one of the only two energy-sector projects in the API (the remaining 29 are from the transportation sector).

This [API project](#) is made up of two projects that seek to improve the quality and reliability of the electricity supply in the area, solving the problem of low voltage and the high rate of energy loss during transmission, which can reach 10% during peak hours.

The [500-KV Electricity Transmission Line \(Itaipú-Villa Hayes\)](#) connects the right side of the Itaipú hydroelectric power station with the power station in Villa Hayes, near Asunción. The [500-KV Electricity Transmission Line \(Yacyretá-Villa Hayes\)](#) also connects the Ayolas power station in Yacyretá with the power station in Villa Hayes.

[Map 1: 500-KVE Electricity Transmission Line \(Itaipú-Asunción-Yacyretá\), API Project 13.](#)



Source: [COSIPLAN Project Information System](#)

Not only will these two transmission lines substantially improve Paraguay’s energy security, they will also increase trade in energy with Argentina through the existing 200-KV connection between Clorinda, in Argentina, and Gurambaré, in Paraguay. In addition to physical construction work, the project includes a set of regulatory initiatives.

Photo 1: 500-KV towers between Yacyretá and Villa Hayes, Tower 1.



Source: [Yacyretá Binational Organization \(link in Spanish\)](#)

The interconnection work between Itaipú and Villa Hayes was completed in October 2013 and was financed by FOCEM and public funds from Paraguay for a total investment of US\$555 million. It is estimated that the Yacyretá project will be concluded in May 2018, following an estimated investment of US\$297 million, financed by the Inter-American Development Bank (IDB), the Development Bank of Latin America (CAF), the European Investment Bank, the European Union, and matching funds from Paraguay's National Electricity Administration[i].



Source: [Itaipú Binational](#)

The Yacyretá transmission lines are currently operating at over 70% of their capacity and the interconnection transformers are reaching their power limit. The Itaipú transmission lines have begun operating at over 85% of their operating capacity and the transformers have been working at their power limit since 2011.

The Context

These two binational hydroelectric power stations—Itaipú, on the border between Paraguay and Brazil, and Yacyretá, on the border between Paraguay and Argentina—are examples of energy integration. In addition to committing to building and operating these power stations, the countries agreed to distribute the energy they would generate according to their different needs.

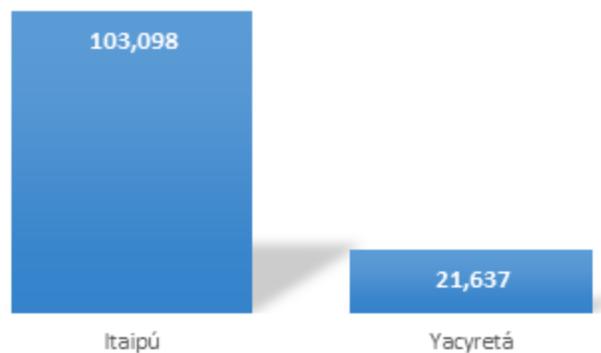
The Itaipú station is the [largest hydroelectric energy producer](#) in the world, having outperformed even the Three Gorges Dam in China over the last two years, which is the world's largest dam in terms of installed capacity. Itaipú has been producing more energy due to the size of the Paraná River, which ranks seventh in the world in terms of its flow, and the fact that the region's subtropical climate means that the river never freezes.

The more than [100 million MW](#) per hour that Itaipú produces cover approximately 17% of the needs of Brazil's interconnected system and 76% of Paraguay's.

Meanwhile, [Argentina consumes 87% \(link in Spanish\)](#) of the [21 million MW generated per hour \(link in Spanish\)](#) at the Yacyretá station. This is equivalent to 13% of the demand from the Argentine Electrical Interconnection System (SADI).

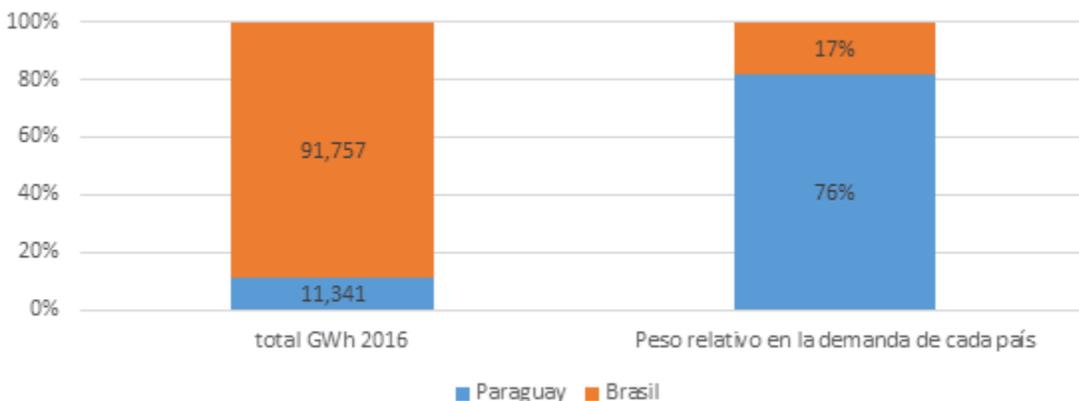
Although the amount of energy produced by Yacyretá seem small in comparison with Itaipú, it is worth remembering that there are [69 power stations](#) within Argentina, and Yacyretá provides nearly 50% of the country's hydroelectric energy. Other stations that come close to producing half of its output are Salto Grande, which is shared with Uruguay, and Piedra del Águila, on the border between Neuquén and Río Negro provinces. In this sense, Paraguay is in a privileged position as it is involved in both the Itaipú and Yacyretá power stations. Its energy surplus makes it the main electricity exporter in the region, and Brazil and Argentina are its main buyers. Paraguay's energy surplus is equivalent to 30 times what its industrial sector consumes.

Figure 1: 2016, Record Highs for Electricity Generation at the Power Stations Involved in the API Project.



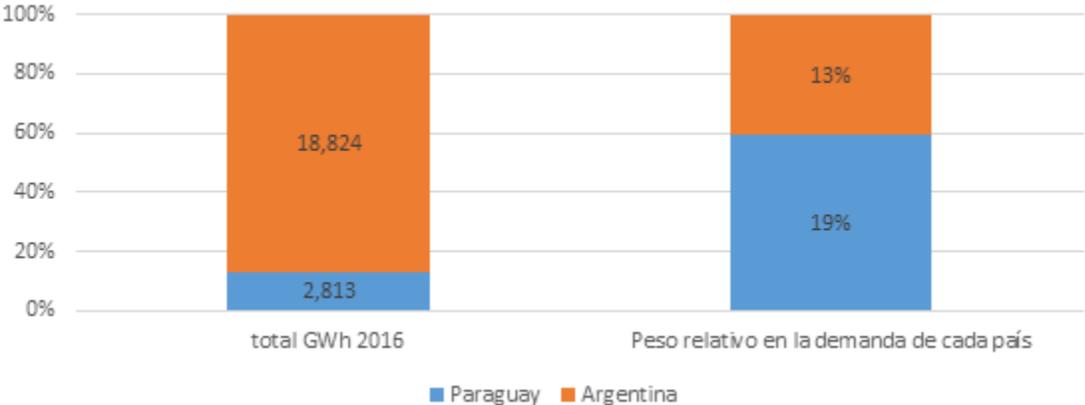
Source: Prepared in-house based on information provided by the binational hydroelectric power stations.

Figure 2: Distribution of Energy Produced at Itaipú and its Relative Importance in the Two Countries' Interconnected Systems.



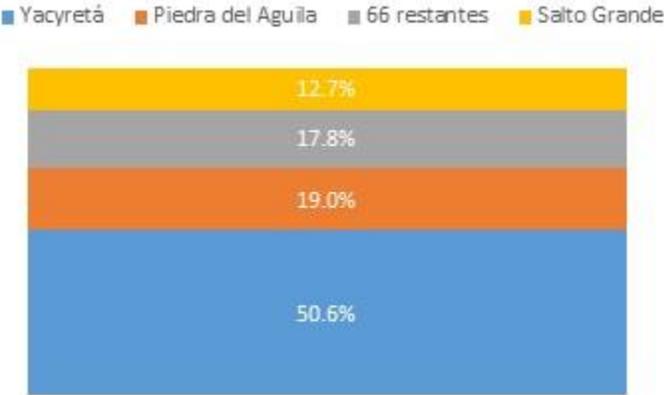
Note: The relative importance of the 2,813 GWh within the Paraguayan energy system is calculated indirectly based on information provided by the Itaipú Binational Entity. According to the organization, the 11,341 GWh that Paraguay received from Itaipú in 2016 represented 76% of the country's electricity consumption. Consequently, the total electricity consumed through the Paraguayan interconnected system was 14,922 GWh in 2016. Source: Prepared in-house based on information provided by the Itaipú binational hydroelectric power station.

Figure 3: Distribution of Energy Produced at Yacyretá and its Relative Importance in the Two Countries' Interconnected Systems.



Fuente: Elaboración propia a partir de información provista por las entidades binacionales de Yacyretá e Itaipú.

Gráfico 4: Participación en la producción hidroeléctrica de Argentina. Año 2016



Fuente: elaboración propia a partir de datos provistos por CAMESA. Nota: El gráfico considera la mitad de la energía que producen las centrales binacionales de Yacyretá y Salto Grande, debido a que esa es la

energía que corresponde a Argentina, su cuota. De lo expuesto, se puede apreciar que la mitad de la producción de Yacyretá es superior a la producción de las restantes 68 centrales en territorio argentino.

1 El presidente de la Administración Nacional de Electricidad (ANDE), Víctor Romero, precisó que US\$50 millones corresponden al financiamiento del Banco Interamericano de Desarrollo (BID), US\$100 millones al Banco Europeo de Inversiones y US\$50 millones a la CAF. Igualmente se cuenta con una donación de US\$13 millones por parte de la Comunidad Europea, además de la contrapartida local de la ANDE de aproximadamente US\$83 millones.

Pacific Alliance to Include Four New Associate States

- [America](#)
- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)

The presidents of the Pacific Alliance (PA) member countries ended the bloc's [12th Summit \(link in Spanish\)](#) by signing the [Cali Declaration \(link in Spanish\)](#), in which they expressed their satisfaction over the start of negotiations that will give Australia, Canada, New Zealand, and Singapore associate member status, as had been anticipated at the [High-Level Dialogue on Integration Initiatives in the Asia-Pacific: Challenges and Opportunities](#), which was held in Chile in March 2017. The PA is seeking new **markets** in the Asia-Pacific region through initiatives of this type. Within Latin America, [Panama \(link in Spanish\)](#), [Uruguay \(link in Spanish\)](#), and Paraguay have also requested admission as associate member states.

“Associate member status will allow the Pacific Alliance to negotiate with countries that have been experiencing significant growth. This will open up a range of opportunities for Chile, Colombia, Mexico, and Peru, and will help consolidate the **regional integration** process that we are engaged in,” [said](#) Peru's minister of **foreign trade** and tourism, Eduardo Ferreyros.

In the Cali Declaration, the presidents of the PA member countries also committed to strengthening regional **integration** and **trade** and attracting more **investment**. In connection with this, the president of Colombia, Juan Manuel Santos, [said](#) that countries that wish to reach an agreement with PA are demanding legal stability and fiscal and economic stimuli of the bloc, so decisions are being made to guarantee these conditions and promote **negotiations**.

The president of Peru, Pedro Pablo Kuczynski, stressed that to encourage **investment**, “prospects of growth are key. (...) We need to grow more, develop more, and that is why we are welcoming these countries,” he concluded, in reference to the four new associate members.

Since being established in 2011, the **Pacific Alliance** has become the tenth-largest **economy** in the world and the seventh-largest exporter. In 2016, the bloc represented 35% of gross domestic product (GDP) in Latin America and the Caribbean and 57% of the region's total **trade**. In 2015, it attracted 41% of the region's foreign direct investment.

Peru and Chile Move Forward with Electrical Interconnection Project

- [America](#)
- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)

The ministers of **energy** of Peru and Chile, Gonzalo Tamayo and Andrés Rebolledo, held a meeting with the support of the **Inter-American Development Bank** (IDB) at which they [signed an agreement \(link in Spanish\)](#) to evaluate the possibilities for an **electrical** interconnection project. They also agreed to look at issues related to the two countries' regulatory systems and standards to ensure that the plan can be fully implemented.

The project [has been under discussion \(link in Spanish\)](#) since 2011 and includes the construction of a 220-KV transmission line between the cities of Tacna and Arica (which are 60 kilometers apart). This line will have an **energy** transportation capacity of 300 megawatts and will be completed between 2019 and 2020. This will improve the two countries' ability to respond to supply-related emergencies.

“The interconnection process with Chile should take between 48 and 72 months, but it will definitely become a reality during President Pedro Kuczynski's term in office,” [said Mr. Tamayo \(link in Spanish\)](#). He also [confirmed \(link in Spanish\)](#) that this is the most advanced such proposal to date, but the government is also thinking about other options, such as interconnections with Argentina, which are planned for 2023 and 2040.

CARICOM Seeks to Reposition Itself in the Global Arena

- [Caribbean](#)
- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)

Representatives from the [Commonwealth, the Caribbean Community \(CARICOM\)](#), and the [Organisation of Eastern Caribbean States \(OECS\)](#) met in St. Lucia on June 26 and 27, 2017, to discuss current international and regional circumstances affecting trade in the Caribbean and to agree on a regional action strategy.

The main issues covered were related to **growth** and **development** in the Caribbean; connectivity in **global value chains**; and regional **economic integration**. The problems affecting the **regional economy** that were discussed included the downturn in **global trade** and the implications of Brexit. There was also mention of the [upcoming WTO Ministerial Conference](#), which was seen as an opportunity to raise awareness about these difficulties and discuss them further.

The head of the **Trade Policy** Unit at the OECS Commission, Virginia Paul, [welcomed](#) the opportunity for in-depth dialogue with **international** and regional trade policy experts.

Likewise, Bradley Felix, minister for **commerce, industry, and investment** in St. Lucia, highlighted the importance of strengthening **integration** in the region and embarking on joint actions that show the Caribbean as a cohesive unit on the global stage.

Mexico and India Strengthen Political Dialogue

- [Central America and Mexico](#)
- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)

India's undersecretary of foreign affairs, Preeti Saran, visited Mexico to [meet \(link in Spanish\)](#) with the undersecretary of foreign relations, Carlos de Icaza, and address issues on the [bilateral \(link in Spanish\)](#) agenda.

The two countries held the 7th Meeting of the Binational Mexico–India Commission to look at matters relating to **economic cooperation**, **energy** projects, and the space industry. Ambassador Miguel Ruiz Cabañas, Mexico's undersecretary of multilateral affairs and human rights, also took part in the meeting.

The officials then led the 4th Political Consultation Mechanism, during which they reviewed affairs of mutual interest and confirmed the importance of continuing high-level visits and interparliamentary dialogue to maintain the excellent **political ties** between the two countries. They also exchanged views on the current state of affairs in their respective regions.

Mexico is India's number one **trade** partner and recipient of Indian **investment** in Latin America and is also the largest Latin American investor in India. India is Mexico's sixth-most-important trade partner in the Asia-Pacific region, and trade between the two is worth over US\$6.34 billion per year. India has been an observer state of the [Pacific Alliance](#) since 2014.

Chile and Indonesia Move Toward a Trade Agreement

- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)
- [Southern Cone](#)

Chile's director of bilateral economic affairs, Pablo Urria, welcomed his Indonesian counterpart Imán Pambagyo to Santiago to continue working toward a [trade agreement between the two countries \(link in Spanish\)](#). The two officials covered issues related to **market access, rules of origin, customs procedures, legal matters, and cooperation**

Indonesia represents considerable opportunities for Chile as the average annual growth rate for its **imports** reached 7% between 2007 and 2016. If the agreement is reached, it will open up a large potential **market** for Chilean **products** such as blueberries, plums, raspberries, peaches, seaweed, and dairy products. Indonesia stands to gain from **energy** exports such as **petroleum** and **natural gas**. "In the short term, we want to reach a **trade agreement** that helps diversify Chile's **export** basket," said Mr. Urria.

A [meeting](#) took place in May 2017 between the [Pacific Alliance](#) and the [Association of Southeast Asian Nations \(ASEAN\)](#), which Chile and Indonesia are members of, respectively. This laid the foundations for a commitment to improve **economic relations** and **cooperation** between these blocs, which in turn implies greater rapprochement between the two countries.

MERCOSUR: At Work on the 2030 Sustainable Development Agenda

- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)
- [Southern Cone](#)

On June 28 and 29, 2017, a meeting entitled “[The 2030 Agenda for Sustainable Development: Toward Regional Cooperation](#)” was held at Argentina’s Ministry of Foreign Affairs. The event brought together authorities from the different **MERCOSUR** countries to analyze and debate the main challenges that the bloc needs to tackle to comply with the [Sustainable Development Goals](#) (SDGs). Representatives from the private sector, civil society, and academics also took part.

The event was part of an exchange of experiences between the countries in relation to the adaptation processes that each is implementing; the institutional designs that they are deploying to implement, monitor, and report on these processes; the participation strategies they have effected; and the obstacles they have identified. Those at the meeting also emphasized that there is an opportunity for identifying possible shared measurement and monitoring criteria for the results that are obtained, in order to promote an agenda for **regional action**.

During his presentation, the executive director of the [MERCOSUR Social Institute \(link in Spanish\)](#) (ISM), Gabriel Toselli, [drew attention to \(link in Spanish\)](#) to “the [Strategic Social Action Plan \(PEAS\) \(link in Spanish\)](#), which is aligned with international standards on **human rights**, the Millennium Development Goals (2000-2015), and the **Sustainable Development Goals** (2030),” describing the document as a touchstone for all MERCOSUR member countries.

Other delegations at the meeting also emphasized the assistance they had received from the [United Nations \(link in Spanish\)](#), specifically the [United Nations Food and Agriculture Organization](#) (FAO).

Panama Takes on Pro-Tempore Presidency of SICA

- [Central America and Mexico](#)
- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)

As part of the [49th Ordinary Meeting of the Heads of State](#) of the [Central American Integration System \(SICA\)](#) ([link in Spanish](#)), the president of Costa Rica, Luis Guillermo Solís, handed the pro-tempore presidency of the bloc over to the president of Panama, Juan Carlos Varela, who vowed to continue with his predecessor's work.

The meeting was also attended by presidents Salvador Sánchez Cerén of El Salvador; Jimmy Morales Hernández of Guatemala; Juan Orlando Hernández of Honduras; and Danilo Montero of the Dominican Republic; ministers Moisés Halleslevens of Nicaragua and Wilfred Erlington of Belize; and representatives from 27 observer countries.

Among other topics, those present emphasized the importance of the [five pillars of integration](#) ([link in Spanish](#)): **strengthening institutions, democratic security, social integration, economic integration, and integrated risk and climate change management**. These are the strategic areas that the bloc established when it relaunched in 2010.

At the end of the meeting, the president and foreign ministers signed the [Final Declaration of San José: "Toward a Strategic Regional Agenda for Achieving the Sustainable Development Goals"](#) ([link in Spanish](#)), through which they passed the following initiatives:

-The Regional Strategy for the Productive Articulation of Micro-, Small, and Medium-Sized Enterprises (**MSMEs**), in order to strengthen institutional capacities and increase the **competitiveness** of these **firms** and their **involvement** in **markets**.

-The Central American **Social Integration** Council's Regional Action Plan on **Poverty** and **Social Protection** 2017–2020, which prioritizes **social protection** as a way to guarantee welfare.

-The launch of the Deep Integration Process toward the **Free Transit of Goods and Persons** between [Guatemala and Honduras](#), a historic agreement that was signed on June 26, 2017, which will stimulate relations between the two countries.

Argentina and Chile Make Headway on Trade Liberalization Agreement

- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)
- [Southern Cone](#)

Representatives from Argentina and Chile met in Buenos Aires for the [third round of negotiations \(link in Spanish\)](#) toward a **trade liberalization agreement**, with a view to concluding this within three months. Authorities have described it as being a “next-generation” agreement because it contemplates modern aspects of business (such as regulations on **e-commerce**) and because it includes a chapter on **gender**.

The [first round \(link in Spanish\)](#) also took place in Buenos Aires, in March 2017, while the [second \(link in Spanish\)](#) was held in Santiago de Chile in May. It is hoped that the next meeting will take place in Chile in August, with the clear aim of concluding all the chapters of the agreement.

The two parties restated their conviction that opening up trade between them would benefit **economic and trade relations** between the two countries, which consider themselves to be strategic partners united by shared interests.

It is worth remembering that these negotiations are part of the [commitments taken on by presidents Mauricio Macri and Michelle Bachelet \(link in Spanish\)](#) during the 8th Binational Ministers’ Meeting, which took place in Buenos Aires on December 14 and 15, 2016.

Peru Negotiates a Free Trade Agreement with Australia

- [Andean Group](#)
- [Integration in Motion](#)
- [n251](#)
- [Regional Panorama](#)

The ministers of trade of Peru and Australia, Eduardo Ferreyros and Steven Ciobo, met in Lima to start **negotiations** toward a **free trade agreement (FTA)** ([link in Spanish](#)) between the two countries, which would benefit a large number of products and include high-quality standards.

The agreement would allow preferential access for Peruvian products with great **export** potential, such as asparagus, artichokes, peppers, canned fish, frozen seafood, shirts and other apparel, stickers, paper boxes, notebooks, oils, dyes, paint, and pipe fittings, among others. Mr. Ferreyros also said that they would seek to reach agreement on “mining-related **services** and professional **services**.”

The two officials also referred to the postal services agreement that they signed last May during an official visit by the Peruvian minister of trade to Australia, which will strengthen the FTA once it has been formalized and will boost connectivity and **tourism** between the two countries.

Australians have always shown great interest in negotiating with Peru because they have long recognized its **potential** as one of the Latin American **economies** that has experienced most growth in recent years.

Japan and the European Union Sign an Economic Partnership Agreement

- [Integration in Motion](#)
- [International Scenario](#)
- [n251](#)

After 18 **negotiation** rounds and several technical and political meetings, Japan and the **European Union** (EU) signed an **Economic Partnership Agreement** which will bring major benefits for both parties' productive sectors, mainly through the elimination of tariffs. Most of the duties that EU **firms** pay on **products** such as cheese, **meat**, and wines (which currently amount to €1 billion per year) will be eliminated. This opening up of the Japanese **market** could increase the value of **EU exports** to €20 billion.

Phil Hogan, EU commissioner in charge of agriculture and rural development, said that “this is the most significant and far-reaching agreement ever concluded in **agriculture**. Tariffs on wine exports will disappear from day one of entry into force [and] over 200 EU Geographical Indications will now enjoy the same level of protection in Japan that they have in Europe.”

The **agreement** also includes standards on workers' **rights**, **consumer** safety, personal data protection, care for the **environment**, and a specific chapter on **sustainable development**. With regard to this latter point, the agreement also contemplates a specific commitment in relation to the Paris Agreement, which sets a new precedent in **trade negotiations**.

Commissioner for trade Cecilia Malmström added: “We are demonstrating that the EU and Japan, democratic and open global partners, believe in **free trade**. With Japan being the fourth largest **economy** of the world with a big appetite for European **products**, this is a **deal** that has a vast potential for Europe. We expect a major boost of **exports** in many sectors of the **EU** economy.”

To continue with this progress, negotiations from the two parties will work to solve outstanding technical issues and to complete a definitive draft of the **agreement** by the end of the year. The European commission will then legally verify and translate the **agreement** into all the **EU's** official languages and will then submit it to the **EU** member states and the European Parliament for approval.

Integration in Motion

What Should an Export Plan Contain?

- [Integration in Motion](#)
- [n251](#)
- [The SME Space](#)

A business export plan is a useful tool that helps business people to understand their position vis-a-vis foreign markets. It is useful for analyzing the risks that the business owner might come up against ahead of time and for designing a contingency plan to address these. It will also help them better understand their destination markets and design an export strategy, thus helping to improve relationships with both suppliers, sales agents, and financial organizations.

What is a business plan?

A business plan does not have a set structure as it varies depending on each firm's products, services, and features. According to a ProMéxico publication entitled International Business Export Plan, "the aim of the planning process in an export business is to enable a product or service to systematically penetrate international markets, maximizing efficiency and profitability."

In other words, giving our exports continuity through lower costs, higher profits, and by optimizing the business. An export business plan is simply an organized way of presenting what it is we want to export, where we want to export it to, how we're going to go about it, and what resources are available to us.

All export plans should contain the following key points:

Overview of bilateral trade

It is important to include detailed information about the firm, particularly a description of its ability, experience, and skills that are relevant to putting the project into practice. According to the blog *Con tu negocio*, defining the company's strengths and weaknesses is also recommendable. We need to include long- and short-term objectives, whether there are any previous examples of an export business plan, the trade strategy for the target market, and the description of the product or service.

The latter should include everything from tariff categories, consumer and market segment profiles, the main competitor products, technologies, quality standards, product adaptations, the cost and price for the client, and research and development of new products.

Market analysis

Any export plan should specify where you are planning to export to and should describe this market. This includes political, legal, economic, and sociocultural aspects. According to *ProMéxico*, it is important to include “a description of your industry in your export target market, an analysis of the competition, market segmentation, and tariff barriers.”

Human resources

In a PromPerú publication entitled “Drawing up Your Export Business Plan,” David Paredes Bullón explains that it is worth “describing the human capital available to the firm to implement the export project.” Any information relating to experience or competitiveness in the different areas of international trade, the organizational structure of the firm, and the international sphere is an advantage. It is also important to specify whether your firm has external advisers in the area of international trade and strategic partnerships.

Operations

According to ProMéxico, this is the most important aspect of the export plan. This section sets out a target market penetration strategy that is compatible with the firm’s long-term objectives. It should prove that implementing the operation is feasible from the administrative, technical, financial, and commercial standpoints. Everything that relates to the international aspects of operations and production needs to be included. These two parts of the plan need to list the following:

- *International factors*

- Export price
- International logistics
- Formal requirements for exporting/importing
- Tariff and nontariff barriers
- Commercial terms (Incoterms)
- Contracts, forms of payment, negotiations
- Packaging
- Insurance

- Promotion
- Distribution
- Market development activities
- Contacts abroad

- *Production Aspects*

- Raw materials
- Quality and standards
- Capacity
- Facilities
- Localization
- Labor force
- Subcontracting
- Suppliers
- Technology
- Inventories

Risks

According to PromPerú, one important aspect of the export plan is to “identify any potential problems that may have a negative effect on the project.” The contingency plans to counteract these problems should also be specified. One of the easiest ways of mitigating the risks that may come with such operations is to take out export credit insurance. This insurance covers sales on credit to the international market (accounts receivable). For example, the Compañía de Seguros de Crédito Continental website indicates that this type of insurance protects exporters from the following risks:

- War, civil war, revolution, or occupation of territory by a foreign power.
- Expropriation or confiscation, requisition of merchandise.
- Delays in foreign currency transfers due to a lack of available funds or government instructions.
- Cancellation of export or import permits.
- Unilateral cancellation of contracts by the importer’s government.

Financial Projections

Con tu negocio points out that many small and medium-sized enterprises do not have suitable financial projections for creating a solid export plan. The business owner should specify the financial resources available to them for implementing the export project, historical financial information, current financial status, and the main financial liquidity, activity, and profitability statements.

Summary

This segment sums up the export plan. Its main aim is to present a concise overview of the firm's current status and its plans for the new initiative. According to *Con tu negocio*, the summary should include a profile of the firm, a precise description of its business, a description of the product or service it supplies, competitive advantages, and financial requirements.

There is no doubt that an export plan is a fundamental tool for enabling small and medium-sized enterprises in Latin America and the Caribbean to integrate more into the international market and to do so on better terms. Many small and medium-sized enterprises already have most of the information described above but a lack of organization and experience can mean that plans to expand into the international market do not prosper.

Drafting an effective export plan not only helps firms from a commercial perspective, it is also a useful form of self-evaluation that generates more involvement in commercial operations and greater awareness of these. Like all management tools, the plan needs to be flexible, adaptable, and open to being revised as the project moves forward.

Greater Regional Integration is Needed to Achieve the Sustainable Development Goals.

- [Impact Assessment](#)
- [n251](#)
- [Reading Material on Integration](#)

The [Annual Report on Regional Progress and Challenges in Relation to the 2030 Agenda for Sustainable Development in Latin America and the Caribbean](#) was drafted by a forum of countries that was created during the 36th session of the Economic Commission for Latin America and the Caribbean (ECLAC). Its aim is to function as a monitoring mechanism for the 2030 Agenda.

Given the huge range of issues covered by the Sustainable Development Goals (SDGs), the report is limited to three areas: a diagnostic exercise on the progress achieved to date, an analysis of the institutional instruments available for implementing the agenda in each country, and a discussion around the challenges and opportunities involved in building and measuring SDG indicators.

The diagnostics chapter delves analytically into the current state of globalization, particularly how dominant trends are affecting the position of Latin America and the Caribbean. The emphasis is on the different types of technological change and the impact that these might have on key variables in regional economies. The report also reveals how, in the current global context, it is essential to strengthen regional integration ties as a means for achieving the SDGs, according to the guidelines set out in the 2030 Agenda.

The section that looks at institutions provides an overview of the capacity of civil society and public authorities to take on the challenge of this strategic vision. There is a particular focus on articulating public policies to facilitate coordination between institutions. One section looks at how to include the SDGs in the toolkit for public accounts in the region.

The third chapter tackles the complex problems that need to be solved to create a statistical framework for monitoring the SDGs in Latin America and the Caribbean. The point is how to open up, systematize, and generate information to ensure that indicators for progress or setbacks are available in a timely fashion in relation to the specific goals of the 2030 Agenda. The chapter discusses the design, measurement, and interpretation of a very broad range of data and indicators for this strategic vision.

This report is the first in a series that will be published between now and 2030 and seeks to identify the starting point and foundations from which countries can work toward achieving the SDGs.

ECLAC. Annual Report on Regional Progress and Challenges in Relation to the 2030 Agenda for Sustainable Development in Latin America and the Caribbean. Santiago de Chile: 2017.

The Orange Economy in Latin America

- [n251](#)
- [Notable Publications](#)
- [Reading Material on Integration](#)

The report [The Orange Economy: Innovations You May Not Know Are from Latin America and the Caribbean](#), published by the IDB's strategic sector for creative economies, innovation, and entrepreneurship, is a clear, illustrative compilation of initiatives and projects from Latin America that are impacting people's lives through the so-called creative economy.

The report focuses on what is known as the Orange Economy, which the Inter-American Development Bank (IDB) defines as interconnected activities through which ideas are transformed into cultural goods and services whose value is determined through intellectual property.

The methodology used was a mapping process that focused on gathering information about innovations in the creative and cultural industries that use new models and take new approaches to problems in different parts of Latin America and Caribbean. The emphasis of the study is on technological innovations. The authors identified specific entrepreneurial projects in the fields of architecture, handcrafts, design, media, fashion, music, creative services, and software and digital platforms.

The Orange Economy is sparking more and more interest within the development agendas of countries in Latin America and the Caribbean. This is not only because strengthening such activities drives economic growth by creating value, but also because these initiatives converge into innovation systems that are linked to sectors that are priorities for the region.

The Orange Economy accounted for 1.9 million jobs in Latin America and the Caribbean in 2015.

Luzardo, A.; De Jesús, D.; Pérez, M. [The Orange Economy: Innovations You May Not Know Are from Latin America and the Caribbean](#). IDB, 2017.

Reading Material on Integration

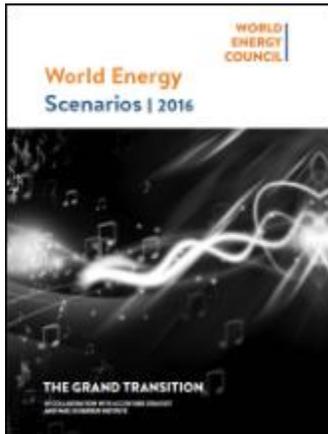
INTAL-LIB's Recommended Readings

- [Bibliographical News](#)
- [n251](#)
- [Reading Material on Integration](#)



[Millennial Beats: Generation Y in the Age of Integration 4.0 \(link in Spanish\)](#)

Summary: The Institute for the Integration of Latin America and the Caribbean (INTAL), part of the Integration and Trade Sector (INT) at the Inter-American Development Bank (IDB), has published a study entitled “Millennial Beats: Generation Y in the Age of Integration 4.0” as part of its Integrology platform, which looks at the future of work and regional integration in the age of robots, seeks to generate advanced knowledge, and provides resources and tools to help better understand how automation will impact production and trade. Based on a quanti/qualitative research project, it explores how young Argentinians view education and the international situation, and their consumer habits, expectations, and employment situations, as this is the generation that will be most affected—be it positively or negatively—by the Fourth Industrial Revolution in the short- and medium-term. More than anyone else, they need to be prepared for the changes ahead: they were born into the digital age and their transition into adulthood has coincided with the rise of robotization, 3D and 4D printing, artificial intelligence, and hyperconnectivity. The results of this study indicate that Argentinian millennials are largely cautious about the transformations that have come with Revolution 4.0, with the exception of a group of young people from the highest socioeconomic sector who live in the City of Buenos Aires and are mostly younger males.



[World energy scenarios 2016 : the grand transition](#)

Summary: The report “World energy scenarios 2016: the grand transition” presents three exploratory scenarios – modern jazz, unfinished symphony, and hard rock. These provide users with a common language for thinking and talking about current events. They provide energy leaders with an open, transparent, and inclusive framework to think about a very uncertain future, and thus assist in the shaping of the choices they make. The study has developed three realistic scenario stories using an explorative approach rather than the more commonly used normative, methodology. The three scenarios developed are modern jazz, which represents a ‘digitally disrupted’, innovative, and market-driven world; unfinished symphony, a world in which more ‘intelligent’ and sustainable economic growth models emerge as the world drives to a low carbon future; and a more fragmented scenario called hard rock, which explores the consequences of weaker and unsustainable economic growth with inward-looking policies.

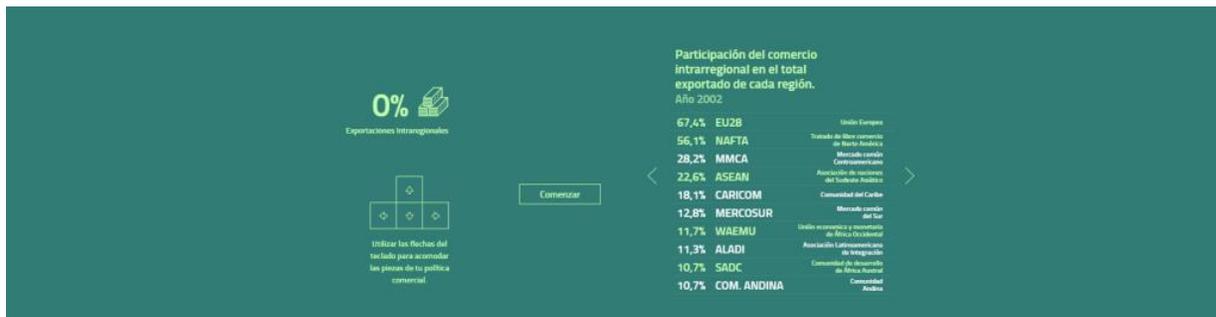


[Chinese FDI in Latin America: new trends with global implications](#)

Between Ourselves

- [n251](#)
- [Trade Thermometer](#)

Although trade between Latin American blocs accounts for only a small share of the region's total trade, the composition of this trade makes it significant, as it has a relatively higher share of manufactures than exports to the rest of the world.



Editorial

Editorial Staff

- [Editorial](#)
- [n251](#)

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