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## **INTEGRATION AND TRADE IN THE AMERICAS**

### ***III EU-LAC Summit: Special Issue on Latin American and Caribbean Economic Relations with the European Union***



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# PERIODIC NOTE ON INTEGRATION AND TRADE IN THE AMERICAS

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The purpose of this document is to inform Bank staff and other interested parties about recent developments in integration and trade among the countries of the Western Hemisphere and between these and other countries and world regions.

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The opinions expressed herein do not necessarily reflect the official position of the Bank or its member countries.

Note: The map displayed on the cover is included for illustrative purposes only. It does not constitute an official representation of the area covered.

## ABBREVIATIONS

ACP	African, Caribbean and Pacific
ALA	Asia and Latin America
ATPA	US-Andean Trade Preferences Act
CACM	Central American Common Market
CAFTA	US-Central America Free Trade Agreement
CAP	Common Agricultural Policy
CARICOM	Caribbean Community
CARIFORUM	Caribbean Forum of ACP countries (CARICOM plus Dominican Republic)
CEE	Central and Eastern Europe
DAC	Development Assistance Committee (OECD)
EC	European Community
ECLAC	Economic Commission for Latin America and the Caribbean
EDF	European Development Fund
EP	European Parliament
EPA	Economic Partnership Agreement
EU	European Union
EU-10	The 10 countries that acceded to the EU in May 2004
EU-15	The original 15 member states of the EU prior to the 2004 enlargement
FDI	foreign direct investment
FTA	free trade agreement
FTAA	Free Trade Area of the Americas
GDP	gross domestic product
GSP	Generalized System of Preferences
HS	Harmonized System
ICT	Information and Communications Technology
IDB	Inter-American Development Bank
IMF	International Monetary Fund
LAC	Latin America and the Caribbean
M&A	mergers and acquisitions
MERCOSUR	Southern Common Market
MFN	most favored nation
MOU	Memorandum of Understanding
NAFTA	North American Free Trade Agreement
ODA	Official Development Assistance
OECD	Organization for Economic Co-operation and Development
SMEs	small and medium-sized enterprises
TRCB	trade-related capacity building
UNCTAD	United Nations Conference on Trade and Development
US	United States
WTO	World Trade Organization

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## **I. LATIN AMERICAN AND CARIBBEAN RELATIONS WITH THE EUROPEAN UNION: AN INTRODUCTORY OVERVIEW**

On May 28, 2004 the heads of state and government of the countries of the European Union (EU) and Latin America and the Caribbean (LAC) will convene for their third summit in Guadalajara, Mexico. They first met in Rio de Janeiro in June 1999, and again in Madrid in May 2002, in an effort to develop a “strategic partnership” between the two regions. The Guadalajara meeting will be the first inter-regional summit to include the leaders of the ten new member states that acceded to the EU on May 1, 2004, and hence will be a gathering of 58 countries: 33 from LAC and 25 from Europe.

On April 7, 2004 the European Commission (EC), the EU’s executive body, adopted a communication defining its aims and priorities for EU-LAC relations in view of the Guadalajara Summit. The communication gives primacy to two issues: *social cohesion* and *regional integration*. As regards the first issue, the EC, in close cooperation with the Inter-American Development Bank (IDB), has proposed that the heads of state and government gathered in Guadalajara take decisions that: (i) encourage the LAC countries to adopt policies that increase social cohesion by reducing poverty and inequality; (ii) induce the international community, including international financial institutions, to support such measures; and (iii) intensify EU-LAC cooperation in the field of social cohesion. In the Commission’s view, the summit should also focus on deepening regional integration throughout LAC. Integration is regarded as a means of facilitating the insertion of the individual countries into international markets and promoting the region’s political influence on the global stage.<sup>1</sup>

The Guadalajara Summit, like its predecessors, is symptomatic of the transformations that have taken place in Europe, Latin America and inter-regional relations during the past two decades. The European Community has long paid attention to former colonies of some of its member states in the Caribbean, especially since the conclusion of the first Lomé Convention in 1974. For much of the period following the Second World War, however, Europe and Latin America were somewhat remote from each other in political and economic terms. The incipient rapprochement of the 1970s was undermined by the onset of the debt crisis and the Malvinas/Falklands conflict in the early-1980s. It was not until the middle of that decade that closer trans-Atlantic engagement was spurred by several coincidental developments, including the accession of Spain and Portugal to the Community, the revitalization of European integration after the apparent stagnation of the early part of the decade, and Europe’s commitment to the pacification of Central America through the San José process.

The third EU-LAC summit represents a culmination of trends that have been evident in EU-LAC and international relations since then, trends that have given both sides concrete reasons to reinvigorate trans-Atlantic links. In Europe, the demise of a bipolar

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<sup>1</sup> “Communication from the Commission to the European Parliament and the Council on the Commission’s objectives, in the framework of relations between the EU and Latin America, in view of the third summit of heads of state and government of the EU, Latin America and the Caribbean to be held in Guadalajara, Mexico, on 28 May 2004”. The text is available at: <http://trade-info.cec.eu.int/doclib/html/116662.htm>.

international order at the start of the 1990s highlighted the fact that the developed West was not homogenous in its international interests and outlook, and conferred new responsibilities on the European Community: to position Europe in the coincident process of globalization; to design new collective security arrangements; to help preserve new democracies and human rights; and to safeguard and advance European values as a means of asserting Europe's new presence, as a single actor, in international affairs.

It was against the background of those developments, accompanied by LAC's emergence from the crisis-ridden "lost decade" of the 1980s and the intensification of integration within the Western Hemisphere during the 1990s, that relations between Europe and Latin America deepened in the last decade. Throughout the 1990s the two regions established a complex network of mechanisms for cooperation. In institutional terms, the process began in earnest with the establishment of an umbrella forum for European-Latin American dialogue at the ministerial level. In 1990 a decision was made to hold annual meetings of European and Rio Group foreign ministers.

At the subregional level, Europe's preference for dealing with groups of countries rather than on a purely bilateral basis was favored by the creation of Mercosur. Since the mid-1990s, EU-Mercosur relations have developed under the aegis of the Inter-regional Framework Cooperation Agreement of December 1995, involving ministerial meetings and the institution of a biregional trade committee to prepare for a future trade accord. The notably successful San José ministerial dialogue between the EU and Central America has persisted throughout the period, reaching its twentieth anniversary this year. Contacts between the EU and the Andean Community were formalized with their joint declaration on political dialogue in June 1996, through the institutionalization of ministerial meetings. At the country level, the 1996 Framework Cooperation Agreement between the EU and Chile instituted a ministerial dialogue in parallel to that between the EU and Mercosur. The December 1997 Economic Association, Political Coordination and Cooperation Agreement between the EU and Mexico also provides for institutionalized dialogue at the ministerial level. The EU-Mexico and EU-Chile cooperation agreements have since led to the conclusion of free trade accords, as examined in a later chapter of this *Periodic Note*. European and Caribbean ministers have also met annually in the context of the Joint Council of Ministers of the EU and the African, Caribbean and Pacific (ACP) states.

The strengthening of inter-institutional links was accompanied by a surge in EU-LAC trade and investment during the 1990s. Despite recent setbacks in such flows, Europe remains LAC's leading donor, its main source of direct investment inflows, and its second most important extra-regional trade partner. The two regions are also significant political allies, a consideration often disregarded in analyses of EU-LAC inter-regionalism. At their previous summit in Madrid, the heads of state and government stressed the "common values" perceived to underpin the relationship. In foreign policy terms, those values have usually taken the form of support for multilateralism, mediation and consensus-building on the international scene, and the encouragement of integration among countries. The "Declaration of Common Values and Positions" issued at the Madrid Summit enumerates others, and highlights the role of integration in promoting growth, trade, democratic stability, and economic and social progress. The pursuit of

these values, which the two regions will advance at the third summit in Guadalajara, amounts to an exercise in political alliance-building between Europe and LAC, an effort to ensure that the international system will develop in a direction conducive to both regions' interests.

The EU-LAC summit process serves that purpose by underlining the significance of regionalism and of a distinct form of North-South integration in international relations. It is evident, for example, that the summits are region-to-region dialogues rather than presentations of the various positions of 48 (and now 58) different countries. The EU and LAC are the world's two leading regions in terms of integration. Both have learned that integration processes can be protracted, complicated and difficult, yet they have based their relations to a large extent on a dialogue between integration movements. This serves not only to give inter-regional links a distinct nature, but also to enhance intraregional cooperation within each region.

As this decade unfolds in Europe and LAC, relations between the two regions will continue to be shaped by the integration endeavors within each of them. In Latin America, economic transformation, liberalization and regional integration initiatives strengthened Europe's interest in trade and investment in the region, with clear implications for the trans-Atlantic agenda. Closer integration within the Western Hemisphere has further encouraged that trend and has underpinned the urgency of new policy measures in EU-Latin American trade relations.

In Europe, meanwhile, the continuing efforts to forge an ever closer (and an enlarged) union raise questions about the impact that the deepening and widening of European integration will have on inter-regional relations. These developments will affect EU-LAC links for reasons both general (the way they change the EU's global role, and hence its external relations) and specific (the way they affect particular areas of inter-regional relations).

The following chapters offer an analysis of developments in EU-LAC economic relations in the decade since the mid-1990s. Chapter II explores inter-regional trade links, highlighting the main trends at the aggregate (regional) level and for various LAC countries and subregions. Chapter III examines the determinants of EU-LAC trade, with particular attention to exchange rate movements, the product composition of LAC exports, the implications for market access of further integration in both regions, and the impact of global economic developments on inter-regional commerce. Chapter IV analyzes trends in flows of European foreign direct investment (FDI) to LAC in terms of both the amount and distribution of such flows among LAC countries and economic sectors. Chapter V examines the main policy instruments to promote inter-regional trade relations, focusing in particular on the new trade and cooperation arrangements currently being negotiated or implemented between the EU and specific LAC partners. Finally, Chapter VI assesses trends in European development assistance for LAC during the 1990s. The annex provides a statistical overview of inter-regional trade, investment and cooperation links.

## II. RECENT DEVELOPMENTS IN EU-LAC TRADE

The strong growth of EU-LAC trade evident for most of the 1990s ended in 1999, when flows contracted by over 5 percent in value terms. Despite some recovery in the following years, inter-regional trade in 2003 was still below the levels recorded in 1998. This somewhat discouraging picture partly reflects trends in the world economy in the last five years, including volatility in global financial markets and the general downturn in economic growth in Europe and the United States. Domestic political and/or economic difficulties in several Latin American countries compounded the negative effects of adverse global circumstances. Apart from these developments, however, it is likely that factors specific to EU-LAC relations affected inter-regional trade. Those factors include the product composition of EU-LAC commerce and the instruments regulating trade. Exchange rate developments have also played a role. This chapter examines recent inter-regional trade in greater detail, while Chapter III reviews its main determinants.

### Context of Inter-regional Trade Relations

Recent trends in EU-LAC trade should be analyzed against the background of overall economic developments in Europe and the Western Hemisphere. In the last five years there has been a marked downturn in economic growth. Between 1999 and 2003, GDP growth in the EU averaged just 2 percent a year, down from 2.5 percent in the previous five-year period. The US economy has continued to grow faster than Europe's but has experienced a similar decline in growth rates, from 3.8 to 2.8 percent a year over the same two periods. LAC economies underwent a sharper decline: from 1994 to 1998, GDP growth averaged 3.6 percent a year; in 1999-2003, it was just 1.3 percent annually.<sup>2</sup> Growth in world trade, averaging 8.2 percent a year between 1994 and 1998, was also lower, at 6.9 percent a year, in 1999-2003.<sup>3</sup>

LAC's share of world trade increased gradually until 1998, but the trend was reversed in subsequent years because of the region's diminished import capacity. LAC accounted for 4.8 percent of world trade in 2003, down from 5.4 percent in 1999. From 1994 to 1999, LAC's trade with the world grew by an average of almost 10 percent a year, faster than world trade. From 1999 to 2003, growth slowed substantially to just 3 percent a year. Meanwhile, EU trade with the world grew by an annual 7 percent between 1994 and 1999, but by an estimated 7.6 percent a year in the later period.<sup>4</sup> Throughout the past decade, the EU has maintained its roughly 15 percent share of global trade flows. Worth noting is that China's share of world trade has almost doubled in the last decade and now exceeds that of LAC.

Table 1 illustrates Europe's commercial importance to the countries of Latin America and the Caribbean. Despite growing intra-EU trade flows, Europe's trade with third countries (extra-EU trade) accounts for a larger share of world trade than does US trade with the

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<sup>2</sup> GDP data are from IMF, *World Economic Outlook*, April 2004 and previous issues.

<sup>3</sup> See Table 1 in the Statistical Annex.

<sup>4</sup> Figures are for EU-15 trade and do not include intra-EU commerce.



world. Moreover, the ten countries that joined the EU on May 1, 2004 (the EU-10) have experienced strong growth in commerce with non-EU members: their trade has grown by 15 percent a year on average in the past five years, albeit from very low levels. Given its sheer size and weight in the global economy, the EU should continue to command a prominent position in any LAC country's commercial strategy. LAC's attraction, meanwhile, lies in its huge market potential, and in the growing business opportunities arising from increased economic integration in the Western Hemisphere.

**Table 1. Share of LAC, EU, US and China in World Trade: 1994-2003**

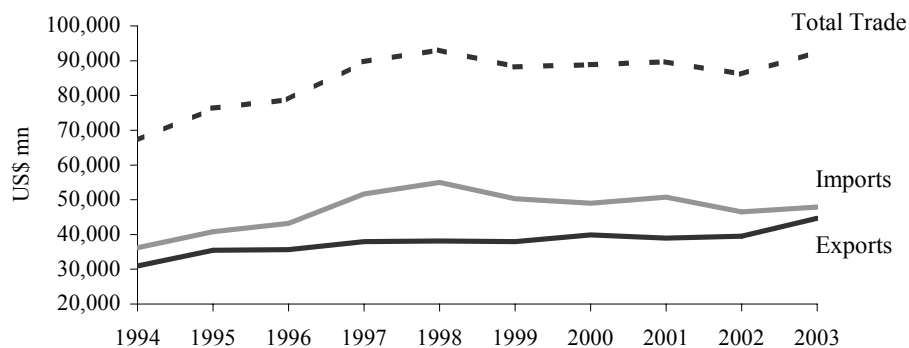
Share (%) in:	Total World Trade			World Exports			World Imports		
	1994	1999	2003	1994	1999	2003	1994	1999	2003
LAC	4.8	5.4	4.8	4.6	5.3	5.1	5.0	5.5	4.5
EU (Extra-EU)	15.2	14.9	15.3	15.3	14.7	15.2	15.2	15.2	15.4
United States	15.5	15.8	14.0	13.3	12.7	10.1	17.7	18.8	17.7
China	3.0	3.3	5.9	3.1	3.6	6.1	3.0	2.9	5.6

Source: Integration and Regional Programs Department using UN-COMTRADE and national sources.

### EU-LAC Trade Flows

Graph 1 shows the impressive growth of inter-regional trade between 1994 and 1998, and the relative stagnation in flows thereafter.<sup>5</sup> It also shows that most of the growth recorded in the earlier period stemmed from a significant increase in LAC imports from Europe. These expanded by an average of 11 percent a year between 1994 and 1998, much faster than the 5 percent growth in LAC exports to the EU in the same period. Export growth remained subdued between 1999 and 2002, but rebounded strongly in 2003. Imports, meanwhile, have contracted significantly since 1998. As a result, LAC's persistent trade deficit with the EU since the early 1990s (which reached almost \$17 billion in 1998) has narrowed significantly, to about \$3 billion in 2003.

**Graph 1. LAC Trade with the EU, 1994-2003**

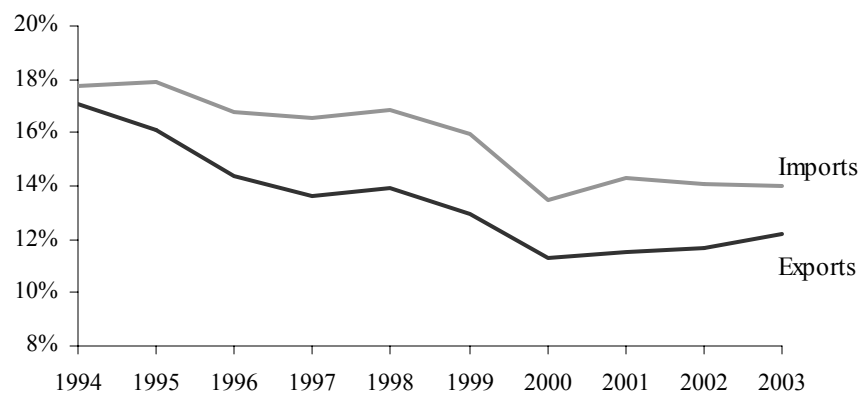


Source: See Table 2 in the Statistical Annex.

<sup>5</sup> This subsection examines LAC trade with the EU-15. LAC trade with the ten new EU member states is reviewed later.

Trends in inter-regional commerce still compare somewhat unfavorably with trends in LAC's overall trade performance. First, there was zero growth in LAC trade with the EU between 1998 and 2003, during which period LAC trade with the world (and with North America) grew by an average 3 percent a year. Second, LAC exports to the EU have grown more slowly than the region's global exports, including its exports to both the North American and Asian markets. Third, in recent years LAC imports from the EU have contracted faster than the region's total imports. The trend of declining EU shares in both LAC exports and imports was apparent throughout the 1990s. As Graph 2 shows, Europe has regained some share since 2000, but not enough to prompt the conclusion that the trend has been reversed.

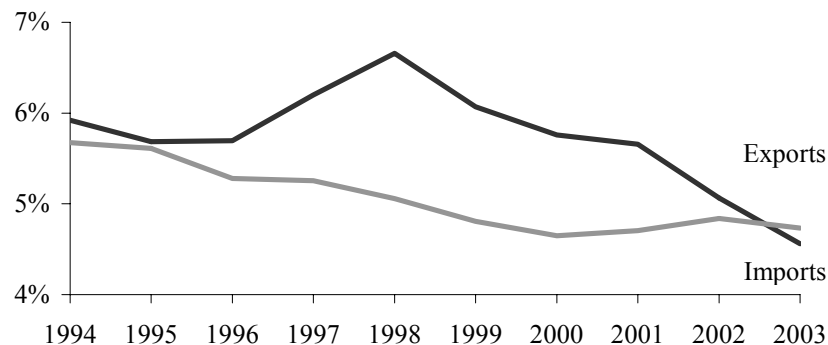
**Graph 2. EU Share in LAC Trade, 1994-2003**



Source: See Table 2 in the Statistical Annex, which provides a comparative overview of LAC trade with various countries and world regions.

From the EU perspective, LAC's relative importance as a European export market increased during most of the 1990s but has since declined, while LAC's share of total EU imports has been falling since the early 1990s. LAC's overall share of EU trade has declined from almost 6 percent in 1994 to 4.6 percent in 2003 (Graph 3).

**Graph 3. LAC Share in EU Trade, 1994-2003**  
(excluding intra-EU trade flows)

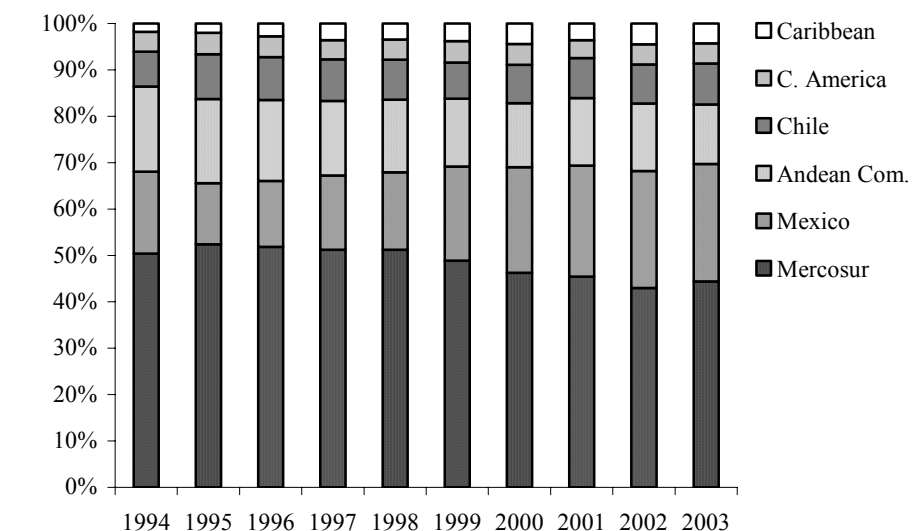


Source: See Table 3a in the Statistical Annex.

The performance and geographical distribution of LAC's foreign trade is strongly influenced by a single country. Mexico accounts for almost half of total LAC commerce, and its booming trade with North America since the entry into force of NAFTA in 1994 masks some significant trends in EU-LAC trade at the subregional and national levels. Even if Mexico is excluded from the LAC total, however, LAC exports to the EU still grew at only two thirds the rate of the region's total exports, and LAC imports from Europe have contracted faster than the region's global imports in the last five years. The geographical distribution of LAC trade flows nevertheless appears more balanced: without Mexico, Europe's share of the region's trade is close to 20 percent, compared to 13 percent if Mexico is included in the LAC total. Nonetheless, this share, too, has declined in recent years (see Tables 2 and 4 of the Statistical Annex).

Graph 4 shows the relative importance of individual countries and/or subregions in LAC trade with the EU. Europe's most important trade partners in the region are Brazil, Mexico, Argentina, Chile and Colombia, in that order. Together, these five countries account for over 80 percent of total EU trade with LAC; Brazil and Mexico alone account for almost 60 percent.

**Graph 4. Share of LAC Countries/Subregions in LAC Trade with the EU**



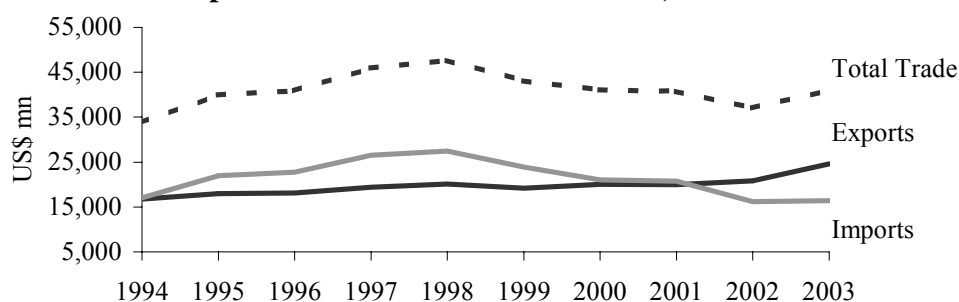
Note: Caribbean = CARICOM + Dominican Republic; Central America = CACM + Panama.  
Source: See Table 5 in the Statistical Annex.

### ***EU-Mercosur trade***

Mercosur is Europe's largest trade partner in Latin America. As Graph 4 indicates, however, its share in total EU-LAC trade has declined in recent years, while that of Mexico has steadily increased. In the last ten years, Mercosur's trade with the EU has grown by only 2 percent a year on average – much slower than Mercosur's total trade and its trade with North America. Most of the increase in EU-Mercosur trade occurred in the period 1994-1999, when it was driven mainly by the rapid growth of Mercosur imports from Europe. Imports contracted substantially after 1998, twice as fast as the group's

imports from the world. Export growth remained subdued until 2003, when sales to Europe expanded by 18 percent as a result of a strong growth of exports from Brazil (20 percent) and Argentina (15 percent).<sup>6</sup> Depressed import demand turned Mercosur's decade-long trade deficit with the EU into a surplus of \$4.6 billion in 2002. That surplus widened to \$8.2 billion in 2003.

**Graph 5. Mercosur Trade with the EU, 1994-2003**



Source: See Table 7 in the Statistical Annex.

Apart from the sharp increase in Mercosur's exports to the EU in 2003, there has been little dynamism in biregional trade in recent years. Mercosur's trade surplus with Europe, moreover, springs in large part from depressed import demand rather than from sustained export growth. It does not therefore give rise to much optimism. The EU's share of Mercosur's trade has declined steadily from 27 percent in 1994 to below 24 percent in 2003. Similarly, Mercosur has been unable to preserve its share of the European import market – that share has fallen from 3.0 percent in 1994 to 2.5 percent in 2003.<sup>7</sup>

Sustained growth in sales to Europe is hindered, among other things, by high EU tariffs in sectors in which Mercosur's exports are most competitive, such as processed food and agricultural and fisheries products. These sectors account for over half of all Mercosur exports to Europe. Many Mercosur exports, moreover, are subject to various non-tariff barriers, such as licensing measures and quantitative controls, which significantly affect textile products and some other manufactured goods.<sup>8</sup> To tap the full potential of EU-Mercosur trade, therefore, progress in the current free trade negotiations is crucial (see Chapter V).

### ***EU-Mexico trade***

Unlike Mercosur, Mexico has seen rapid growth in its trade with Europe. Since 1994, EU-Mexican trade has expanded by an average of 8 percent a year, with exports and imports growing at roughly equal rates. Note, however, that most of the growth in Mexican exports to the European market occurred before the entry into force of the Mexico-EU free trade agreement (FTA) in 2000. Export growth has slowed considerably

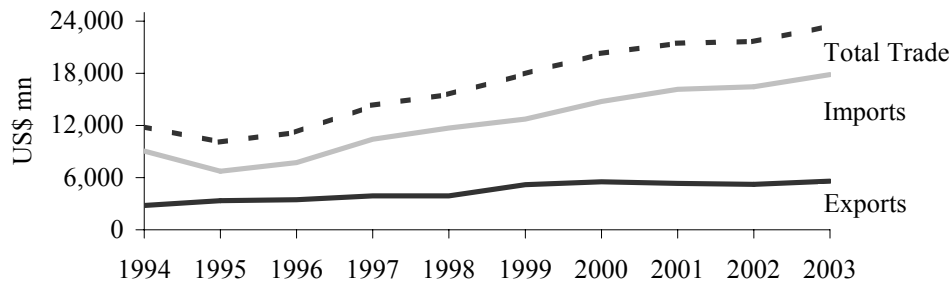
<sup>6</sup> See Table 6 in the Statistical Annex.

<sup>7</sup> See Table 7 in the Statistical Annex for more detailed Mercosur trade data.

<sup>8</sup> Antoni Esteveadeordal and Ekaterina Krivonos, *Negotiating Market Access between the European Union and MERCOSUR: Issues and Prospects*, INTAL-ITD Occasional Paper No. 7, December 2000.

since then, mainly the result of declining sales of manufactured goods to the EU. By contrast, Mexican imports from the EU have expanded rapidly in the past three years, much faster than Mexico's overall imports and its imports from North America. One of the main goals pursued by the EU in its trade agreement with Mexico – to reverse the NAFTA-related trend of declining shares in the Mexican import market – thus appears to have been met. In 2000, the EU accounted for 8.5 percent of Mexico's total imports; by 2003 that share had grown to 10.5 percent.

**Graph 6. Mexico Trade with the EU, 1994-2003**



Source: See Table 8 in the Statistical Annex.

Despite the rather weak growth of Mexican sales to Europe since 2000, Mexico has maintained its share of the EU import market, which suggests that demand constraints in Europe, rather than supply factors, are the main determinant of the sluggish growth.<sup>9</sup> Indeed, Mexico's share of the European import market has increased slightly since the late-1990s, and now stands at 0.6 percent. Improved market access is likely to have contributed to this trend. Both Europe and Mexico thus seem to be benefiting from their free trade accord, although in the short term it has intensified the imbalance in bilateral commerce. Mexico's significant trade deficit with the EU, which stood at \$7.5 billion in 1999 (the year before their FTA entered into force), grew to \$12.3 billion in 2003. This is equivalent to over half the value of total EU-Mexican trade and accounts for all of (in fact it far exceeds) Mexico's \$6.2 billion global trade deficit.<sup>10</sup>

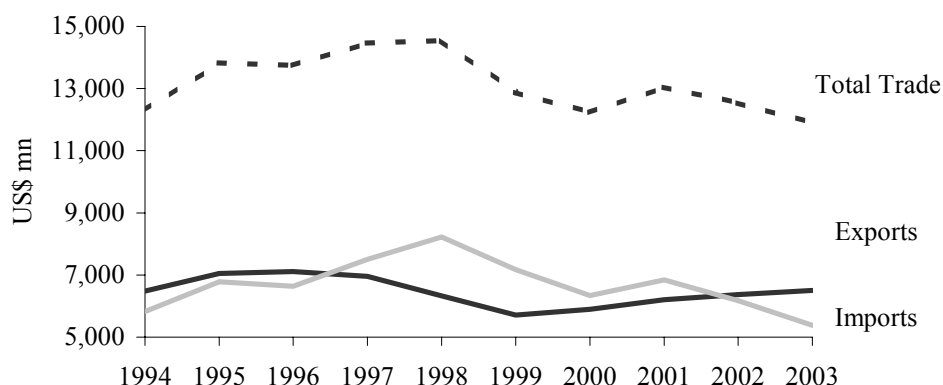
### ***EU-Andean Community trade***

There has been virtually no growth in EU trade with the Andean Community in the past decade. Andean imports from the EU grew vigorously between 1994 and 1998, but contracted equally strongly in the following five years. The trends for exports were the opposite. In 2003, total EU-Andean trade was lower in absolute terms than a decade earlier. As with Mercosur, the current surplus in the Andean Community's trade with the EU stems more from depressed import demand than from strong Andean export performance.

<sup>9</sup> Mexico's entrepreneurial culture, which continues to be heavily oriented towards the US market, may also have prevented a more dynamic export performance.

<sup>10</sup> See Table 8 in the Statistical Annex for more detailed Mexican trade data.

**Graph 7. Andean Community Trade with the EU,  
1994-2003**



Source: See Table 9 in the Statistical Annex.

These developments in EU-Andean commerce occurred against the background of moderate growth in the Andean group's total trade and its trade with North America. Consequently, Europe's share of total Andean trade has declined significantly, from 19 percent in 1994 to 13 percent in 2003.<sup>11</sup>

In contrast to Mercosur, the problems of Andean export performance in the EU market do not seem to be related mainly to market access barriers. In fact, all industrial and a number of agricultural products from the Andean Community enjoy preferential access to the European market under an "enhanced" Generalized System of Preferences (GSP) granted to the Andean and Central American countries (see Chapter V). Supply constraints, lack of knowledge of EU preferences or insufficient export promotion efforts might be hindering better export performance in the European market. It should be noted, however, that the GSP system is unilaterally applied by the EU and therefore provides for less secure, long-term market access than a reciprocal, mutually negotiated free trade agreement.

Aggregate data for the Andean subregion mask important variations at the national level. Ecuador and (in particular) Peru have experienced strong growth in their exports to the EU in the last three years. Venezuela's export performance has fluctuated widely, while those of Colombia and Bolivia have been weak.<sup>12</sup>

### ***EU-Chile trade***

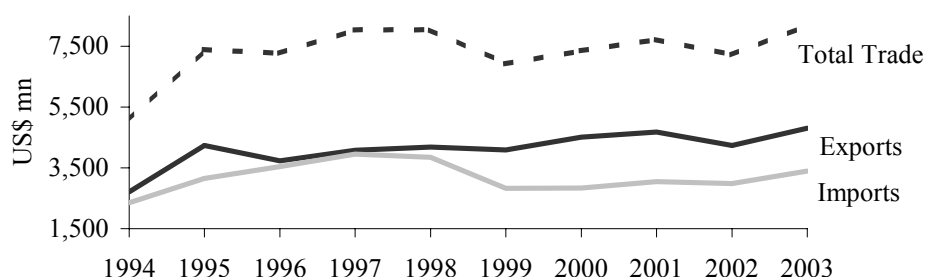
Unlike European trade with the Andean Community, EU trade with Chile has expanded significantly in the last ten years, at an average annual rate of 5.5 percent; both exports and imports have grown strongly. Between 1994 and 1999, Chilean exports rose by almost 9 percent a year, more than double the growth rate of Chile's imports from Europe. Export growth slowed after 1999 and import growth accelerated. Chile is one of

<sup>11</sup> See Table 9 in the Statistical Annex for more detailed Andean Community trade data.

<sup>12</sup> See Table 6 in the Statistical Annex.

the few LAC countries to have recorded consistent trade surpluses with the EU since the early 1990s; in Chile's case, strong export performance, rather than weak import demand, is the main reason.

**Graph 8. Chile Trade with the EU, 1994-2003**



Source: See Table 10 in the Statistical Annex.

Chile is also one of the few LAC countries where the EU has roughly maintained its share of both exports and imports. In 1994, the EU accounted for 24 percent of Chile's exports and 21 percent of its imports. A decade later, those shares still stood at 25 and 19 percent, respectively.<sup>13</sup>

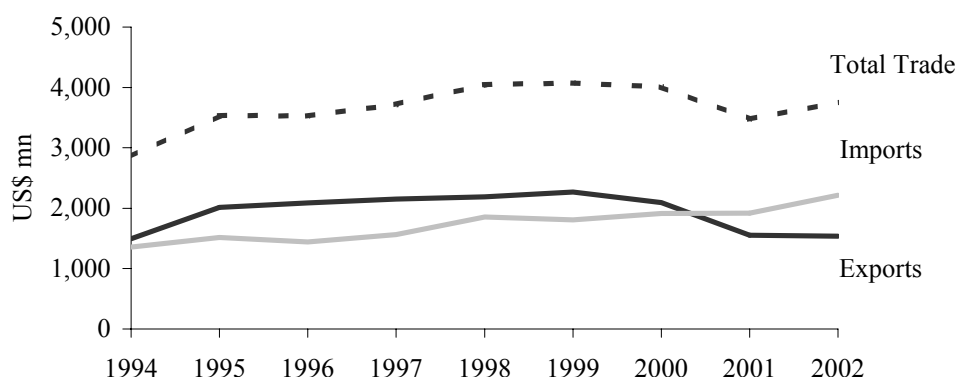
### ***EU-Central American trade***

Trade between the Central American Common Market (CACM) and the EU grew at an average of 4 percent a year between 1994 and 2002, less than half the rate recorded in the group's overall trade. CACM exports to the EU grew strongly for most of the 1990s, but contracted significantly after 1999 for all CACM countries except Honduras. The trend for CACM imports from Europe was the opposite: they grew moderately in the late-1990s and much more strongly thereafter. Like Chile, the CACM had a trade surplus with the EU for most of the 1990s, but now has a deficit because of weak export performance in recent years.

As a result of these developments, Europe's share of total CACM trade declined from 16 percent in 1994 to about 12 percent in 1999, and then to 10 percent in 2002. This circumstance springs mainly from the significant decline in the share of Central American exports going to the EU (despite the fact that such exports enjoy preferences under the enhanced GSP). Europe's share of the CACM import market, which shrank in the 1990s, has recovered somewhat since 1999. During the period examined, EU trade with Panama was in line with the broad trends evident in EU-CACM trade, and is therefore included in Graph 9 below.

<sup>13</sup> See Table 10 in the Statistical Annex for more Chilean trade data.

**Graph 9. Central American Trade with the EU, 1994-2002**



Note: C. America = CACM + Panama.

Source: See Tables 11-12 in the Statistical Annex.

Central America's trade with the EU is highly concentrated in a few countries. Costa Rica alone accounts for over 60 percent of CACM exports to Europe, and is exclusively responsible for the rising share of manufactures in the group's sales to the EU in the late-1990s. By 1999, that share had risen to 35 percent of CACM exports to Europe (from just 3 percent in 1994). Because of depressed electronics sales from Costa Rica in subsequent years, however, the share fell to 24 percent in 2002. The other Central American countries remain highly dependent on exports of traditional products such as coffee, bananas and sugar, which account for over 90 percent of their sales to the EU. Moreover, despite the group's overall trade deficit with the EU since 2001, both Costa Rica and Honduras have continued to post a surplus in their trade with Europe.<sup>14</sup>

### ***EU-Caribbean trade***

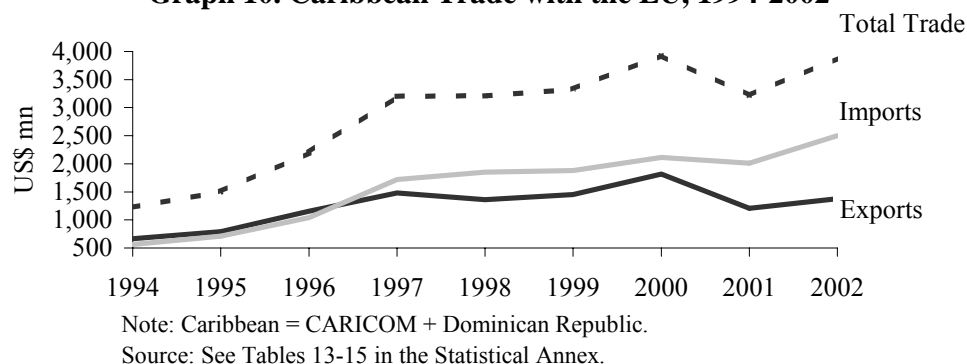
Caricom trade with the EU has risen by an annual average of 12 percent in the past decade, with strong growth in both exports to the EU (9 percent a year) and imports from Europe (14 percent a year). Growth, however, was most pronounced in the early part of the period. Since 1999, Caricom's exports to the EU have contracted by almost 4 percent annually, while imports have grown much more slowly than in previous years.

The Dominican Republic is one of the few LAC countries to have experienced strong growth in its trade with the EU in recent years. As with Caricom, growth was stronger in the period before 1999, but even in the most recent years exports to the EU have grown much faster than the country's global exports; imports from Europe have expanded by over 20 percent a year. Graph 10 shows EU trade with both Caricom and the Dominican Republic. It should be recalled that trade statistics for the Caribbean region are still incomplete for some countries and years, and that the quality of the data might not be optimal. Graph 10 should therefore be interpreted only as a reflection of broad trends.

<sup>14</sup> See Tables 6, 11 and 12 in the Statistical Annex for more detailed Central American trade data.



**Graph 10. Caribbean Trade with the EU, 1994-2002**

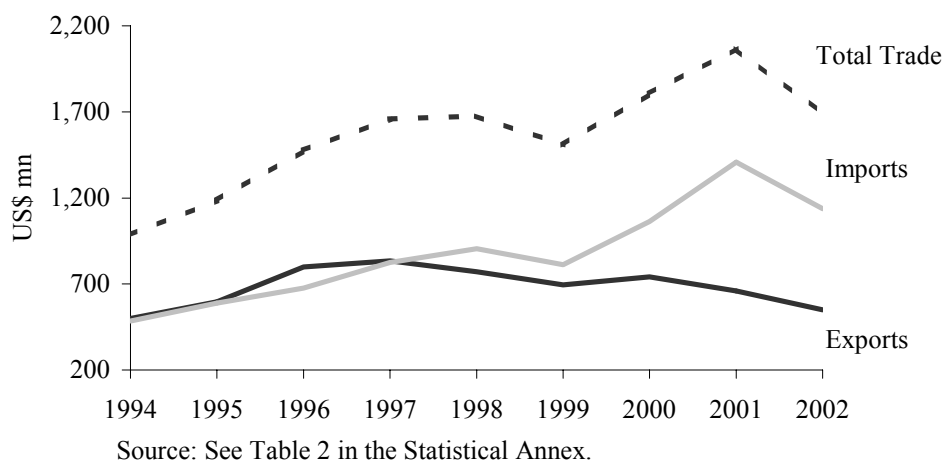


### LAC Trade with the New EU Member States

The recent accession of ten new member states to the EU has added 75 million consumers to the Union's pre-accession population of 380 million, opening up new opportunities for EU-LAC trade. The ten new member states have virtually doubled their share of world trade in the past decade, from 1.7 percent in 1994 to 3 percent in 2003. While their global economic weight is still modest compared to that of the EU-15, their overall and per capita GDP is growing strongly.

As Graph 11 shows, in the last ten years there has been very little growth in LAC exports to the EU-10. LAC imports from these countries, however, have expanded rapidly, by over 11 percent a year on average since 1994. The two groups remain marginal to each other's trade: the EU-10 account for only 0.3 percent of total LAC commerce, while LAC accounts for only 0.9 percent of their trade, or 3.4 percent of EU-10 trade with non-EU members. These shares have been fairly constant since the early-1990s.

**Graph 11. LAC Trade with the EU-10, 1994-2002**



## **Main Characteristics of Inter-regional Trade**

As shown above, LAC export performance in the EU market has varied significantly from country to country, as has Europe's capacity to maintain and/or expand its share of the various LAC markets. The relative importance of EU-LAC commerce in LAC's total trade also varies from country to country, and even within specific subregions.<sup>15</sup>

- Brazil is the leading source of LAC exports to the EU, accounting for over 40 percent of the region's total sales to the EU-15, and over 50 percent of exports to the EU-10.
- Mexico is the single most important Latin American market for EU exports (including those from the EU-10), absorbing almost 40 percent of LAC's total imports from Europe – more than all Mercosur countries combined.
- The EU is a relatively much more important export market for the Southern Cone and some Caricom countries than for most Andean and Central American countries, and Mexico.
- In relative terms, Brazil, Argentina and Chile are the Latin American countries that take the highest share of their imports from Europe.
- In the past five years, growth in trade between the EU-15 and LAC has been most dynamic in some of the smaller LAC countries. Among all LAC countries, Honduras, Peru and Trinidad and Tobago have registered the highest growth rate in exports to the EU since 1999. The growth of imports from the EU has been strongest in Ecuador, Jamaica and Trinidad and Tobago.
- As regards LAC trade with the new EU member states, exports from Argentina, Chile and Venezuela to the EU-10 have grown rapidly since 1999, while those from most other LAC countries have contracted.
- Among the EU-10, Poland is the leading exporter to, and importer from LAC, while the Czech Republic has recorded the highest rate of growth in trade with LAC countries in recent years.
- On both the export and import side, the downward trend in EU shares of LAC's total trade with the world is apparent in all but a few countries.

The following chapter examines some of the main determinants of inter-regional trade. Some of the factors influencing trade are beyond the control of either region; others are related to domestic economic or policy developments; and yet others are exclusive to EU-LAC relations.

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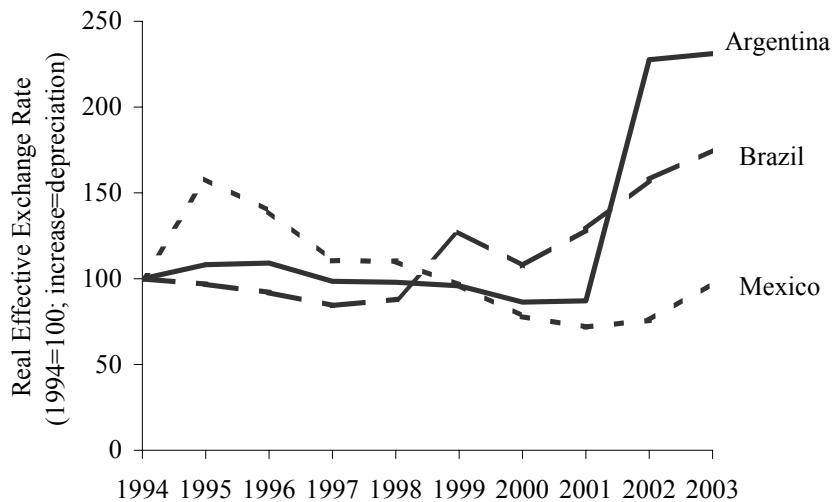
<sup>15</sup> See Tables 16 and 17 in the Statistical Annex.

### III. MAIN DETERMINANTS OF INTER-REGIONAL TRADE

#### Exchange Rate Movements

Exchange rate policies and fluctuations can seriously affect trade flows. When fluctuations in currency values are large, they can make other determinants of trade (such as market access conditions or commodity price changes) relatively less significant. Currency appreciation in many Latin American countries during the 1990s, the result of various forms of currency band regimes or fixed rate parities, posed an obstacle to the region's export growth and diversification. Some Latin American countries have recently abandoned such schemes, and their currencies have depreciated significantly as a result. The dollar's strong upward trend has also reversed, and from its peak in February 2002 it has depreciated by 16.5 percent in trade-weighted terms. European currencies, in turn, have become relatively more expensive. Graph 12 shows developments in the real effective exchange rate of three major Latin American currencies – the Argentine *peso*, the Brazilian *real* and the Mexican *peso* – against a basket of EU currencies.

**Graph 12. Real Effective Exchange Rate of LAC  
Currencies against EU, 1994-2003**



Note: The real effective exchange rate (REER) calculated for the main LAC currencies (Argentina, Brazil and Mexico) vis-à-vis the European Union is defined as:  $REER_i = \sum_j \delta_j RER_{ij}$ , where  $\delta_j$  is the relative weight based on trade flows between each LAC country  $i$  and its EU trading partners  $j$ ; and  $RER_{ij} = (E_{ij} * P_j) / P_i$ , where  $E_{ij}$  is the cross nominal exchange rate with respect to the US dollar between LAC country  $i$  and EU partner  $j$ , corrected by the ratio of the foreign price level ( $P_j$ ) to the domestic price level ( $P_i$ ), where  $P$  is the Consumer Price Index. Included were EU trade partners who accounted for at least 1 percent of each LAC country's trade. They include several euro area countries (Belgium, France, Germany, Italy, The Netherlands, Portugal and Spain) and Denmark, Sweden and the United Kingdom.

Source: IDB Integration and Regional Programs Department using IMF DOTS and IFS.

The most dramatic changes have occurred in Argentina, which abandoned its fixed rate regime against the US dollar in 2001. In 2002, its currency depreciated by 161 percent against EU currencies, with some further depreciation in 2003. Other factors might also have been influential, but the rapid growth of Argentine exports to Europe since 2001 (about 10 percent a year) is undoubtedly linked to this depreciation, as is the strong contraction in Argentine imports from Europe in the same period. Similarly, the significant depreciation of the *real* against European currencies since 2000 probably contributed to the recent growth of Brazilian exports to the EU. Mexico's smaller depreciation is consistent with the lower growth of Mexican exports to Europe in recent years compared to Brazil and Argentina.

The recent strong appreciation of the euro and other European currencies against the dollar could hurt European competitiveness in the LAC market, since it makes European goods more expensive relative to US goods. This raises some concern given that, even in the 1990s when the dollar was much stronger, US export performance in the LAC market surpassed that of Europe. The strength of EU currencies should nevertheless continue to facilitate growth in Latin American exports to the EU. These have remained subdued for much of the past decade, partly because of the specific product composition of exports.

### **Product Composition of LAC Exports to Europe**

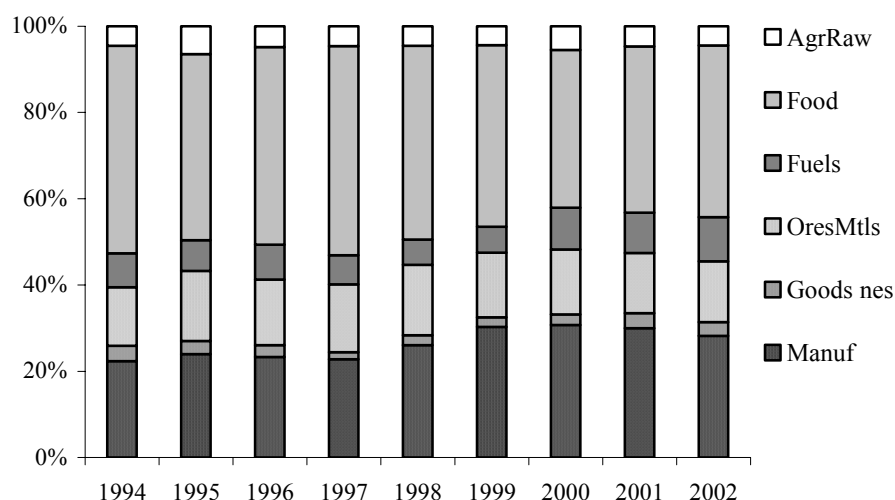
Most LAC countries mainly export agricultural products, metals, minerals and fuels to Europe; the share of manufactures in trade with the EU is relatively small. This trade structure has changed little over the years and holds true for all subregions and countries except Mexico and, to a lesser extent, Costa Rica. Because of this, most LAC exports to the EU are vulnerable to fluctuations in international prices for raw materials and basic commodities. As explained below, prices for several non-fuel commodities have been declining for several years, although some prices recovered strongly in 2003. Apart from the problem of price fluctuations, basic commodities face less dynamic demand than manufactures, and thus are less positively affected by income growth in the importing country.

Graph 13 shows that manufactures account for less than 30 percent of total LAC exports to the EU in value terms. That figure falls to 23 percent if Mexico is excluded from the LAC total. Manufactures account for only 12 percent of Andean exports to the EU, and for less than 10 percent of Chilean exports. They comprise an insignificant share of total exports to Europe from all CACM countries except Costa Rica, and make up less than 30 percent of Mercosur's sales to the EU.<sup>16</sup>

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<sup>16</sup> For detailed data on the composition of LAC exports to various world markets, including a breakdown by LAC subregion, see Tables 18-25 in the Statistical Annex.

**Graph 13. Composition of LAC Exports to the EU, 1994-2002**



Source: See Table 18 in the Statistical Annex.

The composition of LAC exports to Europe contrasts sharply with that of total LAC exports. The share of manufactured goods in the region's total exports grew steadily in the 1990s and stood at almost 60 percent in 2002. Manufactured goods account for over half of all intra-LAC trade, and for almost 75 percent of the region's exports to the United States. Even without Mexico, whose substantial *maquila* trade with the United States somewhat distorts the regional figures, the share of manufactures is still considerably higher in LAC's total exports than in its exports to the EU.<sup>17</sup> Thus LAC exports to Western Hemisphere markets are less vulnerable to fluctuations in international commodity prices and face more dynamic demand than sales to Europe. This might partly explain the lower overall growth, in recent years, of LAC exports to the EU relative to the region's total exports.

Additionally, LAC exports to the EU are less diversified than intra-regional exports or sales to North America, although the difference with the latter market has narrowed in recent years. In 2002, the leading 50 products in LAC exports to the EU accounted for 69 percent of the total. This was down from 72 percent in 1994 and closer to the 65 percent share of the leading 50 products in LAC exports to the United States. Intra-LAC trade is more diversified: in this market the share of the top 50 export products is 46 percent.<sup>18</sup>

Despite the growing importance of services in world trade, they still account for a relatively small share (roughly 15 percent) of LAC's global exports, although they have become a vital source of export revenue for some countries in the region, and most particularly for the small Caribbean islands. In Caricom (including oil-rich Trinidad and Tobago), services now account for almost 50 percent of total export revenue. In Europe,

<sup>17</sup> Excluding Mexico from the LAC total, the share of manufactures in total LAC exports is 35 percent, while it is 23 percent for exports to the EU; see Table 19 in the Statistical Annex.

<sup>18</sup> See Table 26 in the Statistical Annex.

too, the share of services in total exports has risen steadily and now stands at 25 percent. Statistics on services trade are still somewhat rudimentary and most countries do not disaggregate such trade by destination or origin. There are no readily available and reliable data on EU-LAC services trade, and thus there is no basis for analyzing flows. This is nonetheless a potentially promising area of inter-regional trade and should be examined in more detail, particularly in view of the inclusion of services in trade agreements already concluded or under negotiation between the EU and various LAC partners.

### **Economic Growth and Competitiveness**

Because of its effects on import demand and international commodity prices, the global economic downturn of recent years has undoubtedly constrained inter-regional economic relations. Non-fuel commodity prices, which grew by more than 3 percent a year on average in the period 1986-1995, declined dramatically in the late-1990s and again in 2001.<sup>19</sup> This had severe consequences for those Latin American countries whose exports are dominated by agricultural raw materials, metals and other commodities. Partly as a consequence of the international slowdown, import demand has been depressed in both regions for much of the past five years. In that context it is unsurprising that political commitments towards closer EU-LAC relations have not been evident in sizeable increases in inter-regional trade. Conversely, the economic recovery now underway in both regions should facilitate renewed dynamism in EU-LAC commerce.

Worth noting, however, is that growth in both regions has trailed that of other major economies or world regions in the past decade. This suggests that domestic factors both dampened expansion in the 1990s and aggravated the impact of the subsequent downturn. As mentioned in Chapter II, the US economy has grown much faster than Europe's in almost every year since 1994. Although the difference in growth rates is less pronounced in per capita terms, the *level* of per capita income in the EU is almost a third lower than in the United States, affecting the region's consumption and import capacity. Differences in productivity and labor force participation, which have contributed to this circumstance, may also be affecting Europe's capacity to compete with US exporters in the Latin American market.

Indeed, apart from market access conditions, Europe's competitive position in LAC is strongly influenced by the prevailing business climate in the EU, which determines the capacity of European firms to compete worldwide. The Swiss-based International Institute for Management Development (IMD), in its *World Competitiveness Yearbook*, analyzes a host of indicators that influence a country's business climate. In the past five years the agency has consistently ranked the United States as the world's most competitive economy. Several EU countries score highly (and all 15 members of the pre-2004 EU are among the top 36), but it is interesting to note that Singapore, Canada and

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<sup>19</sup> IMF, *World Economic Outlook*, April 2004.

Hong Kong are ahead of Germany and the United Kingdom, Chile is ahead of France and Spain, and Colombia is ahead of Italy.<sup>20</sup>

Meanwhile, growth in developing Asia (with and without China) has far surpassed that of Latin American and Caribbean countries in the past decade, indicating that in LAC, too, there are domestic constraints. The recent economic downturn, in fact, exposed some of the underlying economic vulnerabilities that persist in the region, such as high debt levels and large external financing requirements. A combination of heavy indebtedness, large fiscal deficits and difficult access to foreign capital has left governments with little maneuvering room to counter economic recessions through a more flexible management of fiscal and monetary policies. It has also made it more difficult to effect further reforms geared to sustainable long-term growth and the alleviation of widespread poverty, which would greatly expand the region's market potential. Fortunately, recovery is now underway in many LAC countries, and, after several years of depressed growth, the region is expected to grow by 4 percent this year.

Sustained economic growth in both Europe and LAC will be vital to strengthening inter-regional trade relations. In LAC, longer-term growth prospects will depend on the region's capacity to encourage domestic and foreign firms to invest, create jobs and increase productivity, and on its ability to enable the poor to participate in the resulting growth. In Europe, further structural reforms, particularly in the areas of labor markets, services and financial sector liberalization, will be needed to accelerate economic growth. Consolidation of the single market should facilitate such reforms and thereby boost Europe's global competitiveness. So too should enlargement.

### **Integration and Market Access**

EU-LAC trade relations continue to be shaped by integration processes in both regions. When the EU signed association agreements with prospective new member states in the early-1990s, promising them free trade in industrial products, the partial liberalization of agricultural trade and significant levels of financial assistance, Latin America was concerned about possible trade, aid and investment diversion. A first glance at the statistics seems to substantiate such concerns: between 1994 and 2002, exports from the EU-10 to the EU grew three times faster than those from LAC. A closer analysis of trade flows, however, dispels some of these concerns. There is little similarity in export structures between LAC and the EU-10, and therefore little possibility of trade diversion. In those product categories where there is overlap, moreover, each region has tended to specialize in different products. As noted above, factors other than market access are also influencing LAC's export performance in Europe. There is little doubt, however, that *some* Latin American exports to the EU are now facing growing competitive pressure from the EU-10, and that the EU is relying increasingly on its immediate neighbors to meet its growing import demand. Hence it has liberalized trade not only with Central and Eastern Europe but also with various southern Mediterranean countries. LAC's relative market access conditions in the European market have been affected by these

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<sup>20</sup> Extracts of the 2003 Yearbook are available at the IMD website, <http://www02.imd.ch/wcy/>.

developments, although in the case of Mexico and Chile the problem has been addressed by their free trade agreements with the EU.

### ***EU enlargement***

EU enlargement entails further changes to intra-European trade, since it involves the complete liberalization of agricultural trade within the enlarged Union. Here, too, any trade diversion away from Latin America will probably be limited to specific temperate products exported by some LAC countries, since there is little overall similarity in the structure of LAC and EU-10 agricultural exports to the EU. Far more important for Latin American countries will be the way in which enlargement affects the EU's common agricultural policy (CAP).

CAP restrictions on Latin American exports, both to the EU and worldwide, are well known. EU enlargement, however, has obliged the EU to address the budgetary problem of extending current levels of agricultural support to the new members, some of which have substantial farming sectors. In an effort to avoid an upsurge in the CAP budget, which in 2002 amounted to €47.3 billion, EU member states agreed in October 2002 to limit increases in the budget to a maximum of 1 percent a year between 2006 and 2013 in nominal terms – a freeze in real terms. To respond both to internal budgetary problems and to pressure from Europe's trade partners in the current WTO negotiations on agriculture, in June 2003 the EU Agriculture Council adopted a reform proposal from the European Commission aimed at a significant decoupling of farm subsidies from production, to be implemented over a two-year period (2004-2005). Some observers believe that this could ease the problem of overproduction and partially attenuate the negative impact of the CAP on world food prices, although others question whether the reform will do much to resolve those problems effectively.

Apart from its real and potential effects on the CAP, enlargement will lead to changes in market access for LAC exports to the EU-10, since the new members will adopt the Union's common external tariff. For some LAC products imported by the EU-10, protection levels will fall, while for others they will increase. On balance, the trade effects should be minimal, since LAC currently exports very little to these markets. WTO rules, moreover, call for compensation to external trade partners in the event that the creation or expansion of a customs union leads to higher overall external protection. In addition, there should be new export opportunities for LAC as a result of the projected acceleration of economic growth in the EU-10 following their accession, and the potential increase in import demand attendant on such growth.

### ***Integration in the Western Hemisphere***

Integration is also proceeding at various levels in the Western Hemisphere. In the last five years, six new free trade agreements have either been signed or entered into force among Latin American and Caribbean countries.<sup>21</sup> Like the various accords signed in the

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<sup>21</sup> Chile-Mexico (1999), Mexico-Northern Triangle of Central America (2000), CARICOM-Dominican Republic (2000), Panama-El Salvador (2002), Central America-Chile (2002), Central America-Dominican Republic (2002). In December 2003, moreover, Mercosur and the Andean Community signed an Economic



1990s, these have helped LAC countries exploit the natural advantages of geographic proximity. They have opened up new export markets and have also facilitated economic restructuring and diversification within the context of more transparent, reciprocal trading arrangements.

In addition, while negotiations for the Free Trade Area of the Americas (FTAA) have slowed recently, hemispheric integration continues with the United States' pursuit of free trade agreements with Latin American countries. A US-Chile FTA was signed in 2003 and entered into force in January 2004. In the past year, moreover, the United States has negotiated and concluded agreements with the five CACM members (the US-Central America Free Trade Agreement, CAFTA) and the Dominican Republic, and has initiated talks with Panama. Negotiations for a US-Andean free trade agreement, geared to replacing the US-Andean Trade Preferences Act (ATPA), will be launched on May 18, 2004 with Colombia, Ecuador and Peru; Bolivia may join the talks later. Canada signed an FTA with Costa Rica in 2002 and plans to conclude free trade negotiations with the remaining four CACM members later this year.

Both intra-LAC integration and, particularly, the region's growing trade links with North America have affected EU-LAC trade: the various trade liberalization initiatives in the hemisphere have spurred a relative deterioration in EU access to LAC markets. The conclusion of negotiations between the United States and the Andean countries, the entry into force of the CAFTA and an eventual FTAA would intensify this trend in the absence of comparable progress on trade liberalization between Europe and LAC. Hence the importance of consolidating the free trade agreements that the EU has already signed with Mexico and Chile, making progress in the current talks with Mercosur, and matching the United States' vigorous commercial diplomacy in the region with similar EU initiatives.<sup>22</sup>

### ***Relative and specific import protection***

Recent shifts in relative market access have been occasioned not only by regional integration processes in Europe and Latin America, but also by other policy developments. Latin America's trade preferences in the European market, for example, are gradually being eroded by the continued implementation of multilateral trade liberalization commitments as a result of the Uruguay Round, and by unilateral EU policies such as the *Everything but Arms* Initiative, which grants exports from least developed countries free access to the EU market. The erosion of preferences is having a particular effect on those countries that have hitherto relied on generous GSP concessions

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Complementarity Agreement for the creation of a free trade zone, to be implemented gradually starting on July 1, 2004.

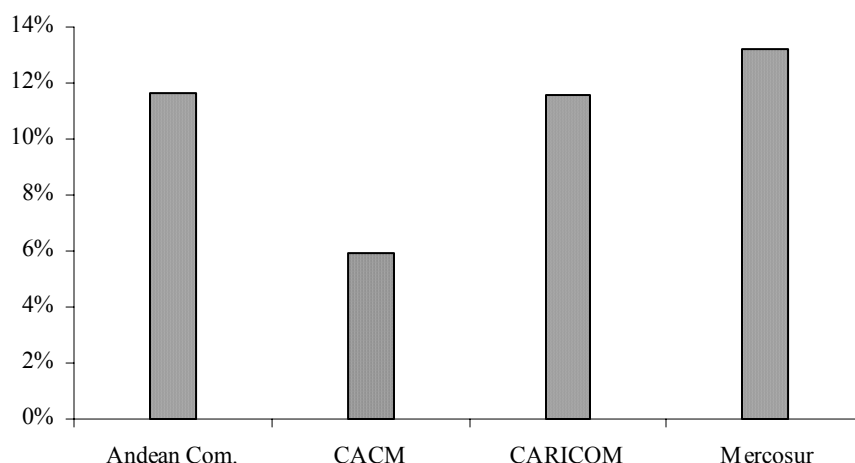
<sup>22</sup> In Europe, export promotion and financing remains largely in the hands of national governments. Export promotion is not among the direct areas of Community competence, and common activities at the regional level are limited to a few European Commission programs. Within the Union, however, there is growing awareness of the need for better coordination between export promotion and other trade-related policies, as well as the advisability of "upgrading" national business organizations to the regional level in order to target regional export markets better.

and the special trading regimes established under successive Lomé agreements for the ACP countries.

In addition, the EU's agreements with Mexico and Chile (see Chapter V) have put other LAC countries at a relative disadvantage in terms of their access to the European market, either because the FTAs have eroded their preferences or because products from Mexico and Chile now face zero tariffs (or will soon do so) while those from other LAC countries still face most favored nation (MFN) tariffs or other restrictions. Similarly, Europe's relative access to LAC markets is being affected not only by intra-hemisphere integration but also by new trade initiatives between Latin American, Asian and African countries.<sup>23</sup>

Worth noting in this regard is that most LAC countries continue to apply high tariffs to imports from third countries – that is, countries with which they have not concluded a free trade agreement or completed a customs union. Relative differences in market access can therefore be high for non-preferred trade partners, and can thus substantially affect their trade. Mexico and Chile are currently the only countries in which Europe is moving towards zero-duty access.

**Graph 14. LAC Applied Import Tariffs, by Subregion, 2002**



Note: CARICOM applied tariff does not include Antigua & Barbuda, The Bahamas, Haiti, St. Kitts & Nevis and Suriname; tariff rate is simple average.  
Source: IDB Integration and Regional Programs Department using UN-TRAINS.

In Europe, Latin American criticism of what is perceived as European protectionism is largely directed at the CAP. The EU maintains a relatively high average tariff on agricultural products, many of which are also subject to quotas. The CAP, moreover, is criticized for having indirect adverse effects on LAC agricultural exports to third countries, through subsidized EU agricultural exports. As noted above, it is uncertain how the most recent CAP reforms will affect such trade. While relatively few tariff restrictions impede the access of non-agricultural products to Europe (textiles and clothing being the main exceptions), above-average tariffs are applied to certain

<sup>23</sup> Mexico-Israel, Chile-South Korea, Mexico-Japan, Brazil-India, Mercosur-South Africa.

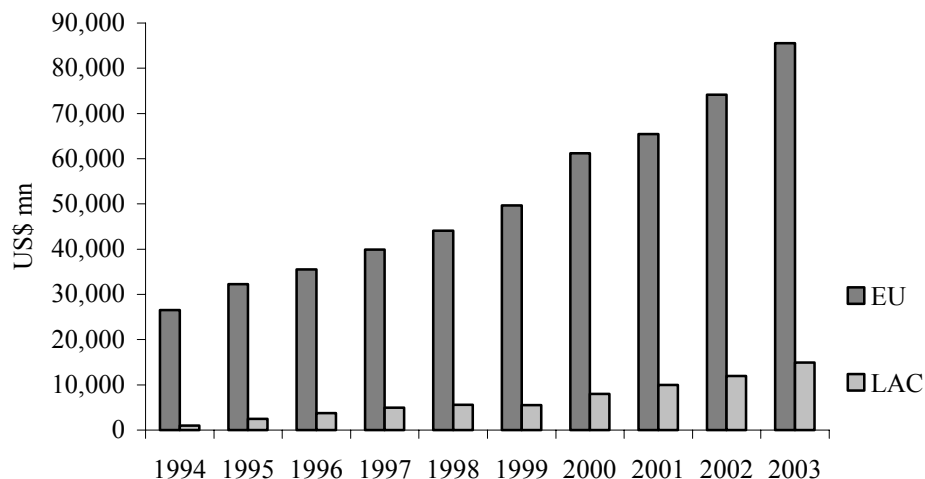
manufactured products with a high value-added component. Tariff escalation is often seen as an obstacle to the diversification of LAC exports to the EU. Non-tariff barriers (such as technical norms and standards, quotas, entry prices, import certificates, licenses, anti-dumping duties and sanitary requirements) are also cited as obstacles to LAC products in the European market, particularly in those categories in which the region has the greatest comparative advantages.

While both regions would thus clearly benefit from further efforts to liberalize inter-regional trade, it is important to note that other countries facing similar restrictions on their exports into each region have done better. Asia, for example, has increased its share in LAC imports from 9.3 percent in 1999 to 13 percent in 2002. Some Asian countries have also expanded their share of the European market in recent years. China, in particular, has emerged as a significant new trading power in the global market.

### ***China's growing role in world trade***

As noted in Chapter II, China's share of world trade has virtually doubled in the past decade. Its exports have grown by almost 20 percent a year in the last five years, a trend that could continue in the short term given its recent accession to the WTO. China's share of the EU import market has doubled, from 4.5 percent in 1994 to 9.1 percent in 2003 (not including intra-EU trade). Its share of the Latin American import market has expanded even faster in the past decade, from less than 1 percent in 1994 to 4.5 percent in 2003. In both markets, China is likely to pose a growing challenge to both domestic producers and traditional trade partners, especially in the area of manufactured goods. This is of particular concern to those Latin American countries that are seeking to diversify their exports away from basic commodities and towards manufactures.

**Graph 15. EU and LAC Imports from China, 1994-2003**



Source: IDB Integration and Regional Programs Department using UN-COMTRADE and national sources.

In a context of increased regional and multilateral trade liberalization, greater internationalization of production, the emergence of new global trading powers and closer integration of markets worldwide, it will not be easy for either the EU or LAC to recover the shares they have lost in each others' markets.

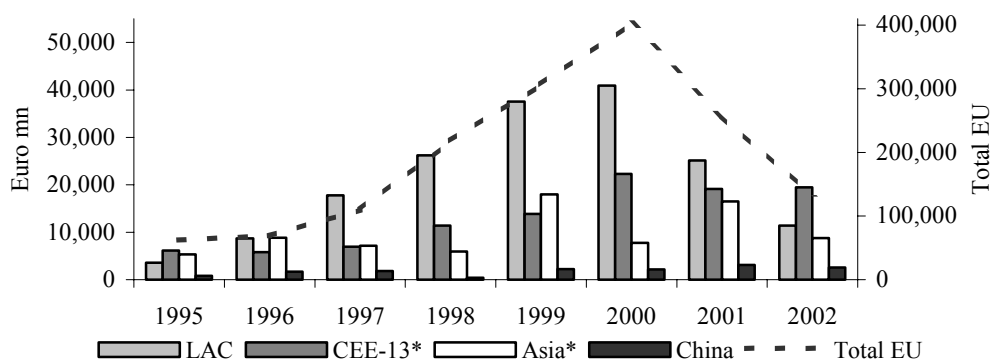
The obstacles to EU-LAC trade, however, are not insurmountable. Notwithstanding regional and global trends that will be hard to change in the short term, various mechanisms could be used to overcome the present imbalances in inter-regional commerce. Enhanced access to markets through further multilateral or inter-regional trade liberalization is fundamental in this respect, though it is not a panacea. The complexity of EU-LAC trade relations requires a broad range of policy initiatives to address the specific problems of trade between the EU and each country or subregion, such as export promotion and marketing activities; adaptation to each other's norms and standards; and inter-regional business cooperation. Finally, by improving production capacities and technological development, and by creating new export opportunities through intra-firm trade, European FDI in Latin America and the Caribbean will play a key role in future inter-regional trade. The following chapter examines recent developments in this area of EU-LAC relations.

#### IV. EUROPEAN DIRECT INVESTMENT IN LATIN AMERICA AND THE CARIBBEAN

Latin America and the Caribbean experienced an unprecedented increase in FDI flows during the 1990s. In the first half of the decade (1990-1995), total inflows averaged \$22.3 billion a year, rising rapidly thereafter and reaching a record level of \$108.3 billion in 1999.<sup>24</sup> In that year, FDI flows to LAC equaled those to Asia, and accounted for over 47 percent of flows to developing countries as a whole – up from 30 percent in the first half of the decade. In 2000, however, while global FDI flows and those to developing countries continued to rise, flows to LAC declined to \$95.4 billion. The fall subsequently continued in the context of a global downturn in FDI. Flows to the region fell to \$83.7 billion in 2001 and to \$56.0 billion in 2002. The nadir seems to have been reached in 2003 when, according to UNCTAD estimates, FDI flows to LAC fell to \$42.3 billion.<sup>25</sup> This represented 27 percent of global FDI flows to developing countries and was less than half of the flows going to Asia (estimated at \$99.0 billion, of which \$57.0 billion went to China). According to projections, FDI flows to LAC are set to rise again in 2004 after four consecutive years of contraction.

The EU is the world's leading outward investor. Total extra-EU assets amounted to \$1.56 trillion at the end of 2001, compared to extra-US assets of \$1.38 trillion.<sup>26</sup> Extra-EU FDI flows rose markedly in the later years of the 1990s and peaked in 2000. A similar pattern is evident in European FDI to LAC. The decline in flows after 2000 reflects the deterioration of the global investment environment. As Graph 16 shows, EU candidate countries in Eastern Europe comprised the only region to resist the trend of falling investment from the EU. In 2002, they experienced an increase in flows relative to 2001.

**Graph 16. EU FDI Outflows, 1995-2002**



Note: CEE-13 includes EU-10, Bulgaria, Romania and Turkey; Asia excludes Japan.

Source: IDB Special Office in Europe using Eurostat.

<sup>24</sup> United Nations Conference on Trade and Development (UNCTAD), *World Investment Report 2002 and 2003*, New York, 2002 and 2003, Statistical Annexes.

<sup>25</sup> "Global FDI Decline Bottoms Out in 2003", UNCTAD Press Release, January 12, 2004.

<sup>26</sup> Data for the EU provided by Eurostat (converted into US\$ at year-end exchange rate indicated in the IMF *International Financial Statistics*), and UNCTAD, 2003.

The greatest share of EU FDI is in the developed countries. At the end of 2001, LAC was the leading investment destination among developing regions. Europe's FDI outward stock in LAC amounted to \$171 billion, or 11 percent of the total. This compares to \$101 billion or 8 percent in Asia<sup>27</sup> (China accounted for \$16 billion or 1 percent), and \$90 billion or 6 percent for the 13 candidate countries (ten of which are now EU members).

Several factors – international, regional and peculiar to Europe – contributed to the increase in FDI flows to LAC in the second half of the 1990s. Global stock markets, especially in the United States and Western Europe, experienced a sustained upturn. This brought a growing number of private and corporate investors into the market, increased market liquidity and enabled multinational enterprises to secure access to capital on more favorable terms. As the cost of acquiring capital fell, the prospect of effecting mergers and acquisitions (M&As) improved and the scope for new, “greenfield” investment broadened. The adoption of market-friendly policies and the opening up to foreign capital enabled LAC to capture a mounting share of global investment flows. The establishment of a stable macroeconomic environment and the prospects of growing markets were also crucially important. Privatization-related investments, as well as M&As, were the most dynamic components of investment inflows. The conjunction of macroeconomic stability, privatization and market liberalization at home, and healthy financial markets abroad, help explain the region's extraordinary success in attracting FDI. Those factors also explain why, since the beginning of this decade, Latin America has undergone such a reversal as a target of new FDI flows.

The global decline in barriers to trade and investment in the 1990s, and their virtual abolition within the EU, provided a strong stimulus to the internationalization of European firms. As their home markets became increasingly exposed to international competition, and as foreign markets became ever more accessible, European enterprises came under pressure not only to raise export intensity but also to locate production abroad and establish more effective global networks for economies of scale and scope. In this regard, one of the most striking features is the extent to which some European investors – in first place Spain and Portugal – have established an international presence where previously they had very little. In the course of the 1990s, Spanish enterprises across the banking, telecommunications and energy sectors became major international corporations, almost exclusively as a result of their investment activity in Latin America. The internationalization of the Portuguese corporate sector accelerated dramatically, largely because of participation in Brazil's privatization process. For most European investor countries, however, the degree of internationalization and investments in Latin America rose more gradually.<sup>28</sup>

By the late-1990s, the EU had become the foremost source of FDI flows to the region (see Graph 17). In the 1996-2001 period, cumulative flows from the EU to LAC – excluding flows to offshore centers – amounted to \$148 billion, compared to \$90 billion

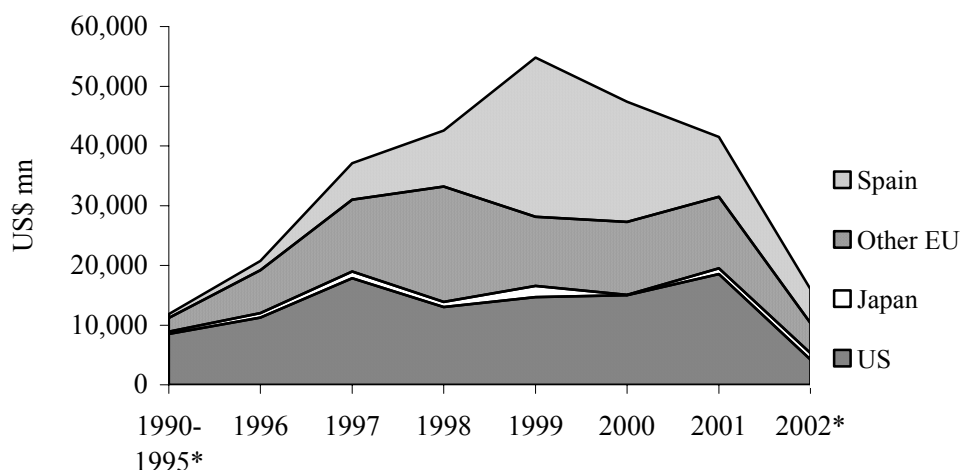
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<sup>27</sup> Asia excludes Japan.

<sup>28</sup> Ziga Vodusek (ed.), *Foreign Direct Investment in Latin America: The Role of European Investors*, Inter-American Development Bank, 2001.

from the United States. Investments from Spain accounted for \$74 billion, or close to 50 percent of total EU flows to the region.

**Graph 17. Net Outflows of FDI to LAC, from the EU, US and Japan, 1990-2002**



Note: 1990-1995 is annual average. 2002: Estimate, based on data provided by Eurostat, Bank of Spain, and the OECD. Outflows exclude flows to offshore centers.

In terms of stock data, the United States remains the main investor when offshore centers are included as a destination (\$282 billion, compared to \$171 billion for the EU at the end of 2001).<sup>29</sup> The EU, nevertheless, is by far the main investor in South America, where European FDI stock stands at \$137 billion,<sup>30</sup> compared to \$83 billion for the United States. The latter is the main foreign investor in Mexico, with FDI stock of close to \$57 billion; the EU stock in Mexico stands at \$23 billion.<sup>31</sup>

<sup>29</sup> FDI data have several shortcomings that limit their reliability and comparability among different countries and sources. These include differences in definitions; dissimilarities in recording and reporting statistical components of FDI (equity capital, reinvested earnings and inter-company loans); the use of distinct methods of measuring the data and different timeframes; and geographical coverage. Further discrepancies arise when distinct categories of FDI are compared. Data can be presented as FDI flows or stock, or as outflows or inflows. Flow data, particularly when recorded annually, are subject to great volatility and should be treated with caution. Data on FDI outflows provided by central banks and national statistical agencies in investor countries must be distinguished from data on FDI inflows collected by recipient countries in LAC. These two data series are not directly comparable. Exchange rate fluctuations can also affect the comparability of the data. FDI flows to Caribbean offshore centers should be viewed separately, since the final destination of these flows is hard to ascertain.

<sup>30</sup> Excluding Bolivia, Ecuador and Peru, for which data on EU outward stock are unavailable.

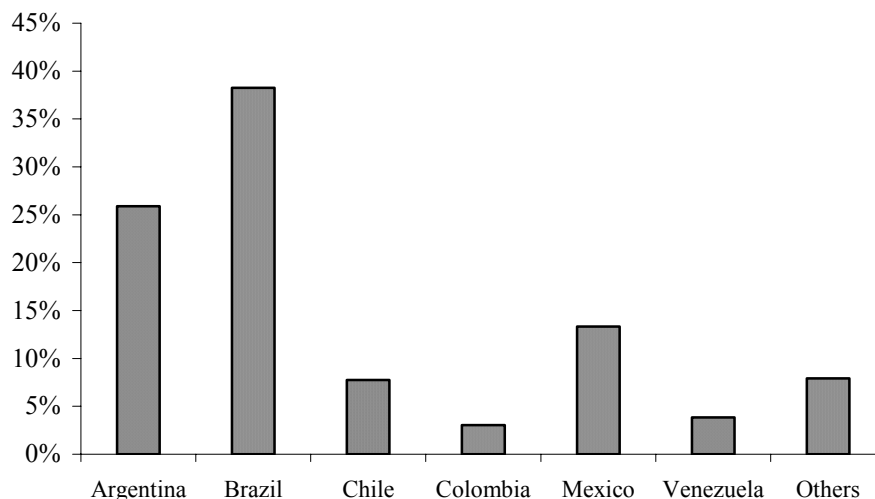
<sup>31</sup> Compiled by the IDB Special Office in Europe on the basis of data provided by central banks and statistical agencies, and Eurostat.

## Geographical Distribution and Sectoral Trends

European FDI in Latin America is concentrated in the Southern Cone countries, which account for close to 73 percent of total EU FDI stock in the region. The Mercosur countries accounted for 65 percent or \$112 billion, of which Brazil captured 38 percent (\$66 billion) and Argentina 26 percent (\$44 billion). Chile's share amounted to slightly less than 8 percent (\$13 billion), while that of Mexico stood at 13 percent (\$23 billion). Andean countries are also an important destination of European FDI (Graph 18).

This geographical concentration stems largely from Spanish investments effected through privatizations and acquisitions, mainly in Argentina, Brazil and Chile. The same can be said for a number of investments by French, Portuguese and (to some extent) Italian enterprises, although at a lower order of magnitude. Investors from the United Kingdom, the Netherlands and (particularly) Germany participated less in privatizations.

**Graph 18. Distribution of EU FDI Stock in LAC, by Recipient, end-2001**



Source: IDB Special Office in Europe using Eurostat.

Spain is by far the most important EU investor in LAC. Data on Spanish FDI stocks disaggregated by recipient countries are unavailable, but it can be estimated that total Spanish assets in the region account for about half of the total FDI stock from the EU. The shares of the other major investors vary from 10 percent in the case of France (\$17 billion, end-2001), to about 9 percent for Germany and the United Kingdom (\$16 billion and \$15 billion, respectively), 6 percent for the Netherlands (\$11 billion), 5 percent for Italy (\$8 billion), and 4 percent for Portugal (\$7 billion).<sup>32</sup>

The marked variations in European countries' involvement in Latin American privatizations have implications for the sectoral allocation of investment. Spanish

<sup>32</sup> Eurostat.



investments are concentrated in the services sector, chiefly in telecommunications, financial services, public utilities, and oil and gas production and distribution; investments in manufacturing activities are of lesser relative importance. French investment is concentrated in the public utilities sector (electricity, water), telecommunications and the industrial sector (automobiles). German investments are predominantly in manufacturing – automotive production, machinery, chemicals and so on, while the Italian presence is particularly strong in telecommunications, automobiles, and food processing. Investments from the United Kingdom are rather diversified, and cover general services, manufacturing activities and the primary sector (natural resources and agriculture).

Among the five largest multinational enterprises operating in LAC, in terms of 2001 sales, four are of EU origin: Telefónica and Endesa from Spain, and Volkswagen and Daimler-Chrysler from Germany. Among the twenty largest enterprises in sales terms, nine are from EU countries (three from Spain, two from Germany, two from France, one from the Netherlands, and one Anglo-Dutch firm).<sup>33</sup>

### **EU Enlargement and Foreign Direct Investment in LAC**

An important aspect of EU enlargement concerns its potential effects on non-member countries in terms of their attraction of European investment flows. The question is whether the two host regions, LAC on one hand and Central and Eastern Europe (CEE) on the other, compete for FDI originating from the EU-15 countries.

It could be argued that the recent relative stagnation of European FDI in LAC stems from diversion to CEE countries, which are benefiting from their locational advantages with the acquisition of full membership. As Graph 16 shows, overall extra-EU FDI outflows declined sharply from 2000 onwards; the “burden” of corresponding adjustment, however, has not been shared symmetrically among host regions. While EU FDI outflows to LAC countries replicate the same pattern as overall extra-EU flows, the CEE countries have proven less sensitive (if at all) to contraction.

Two main arguments have been advanced to minimize concerns about substitutability between LAC and CEE in terms of attracting European FDI. The first centers on the idea that the opening of CEE entails new investment opportunities that were previously unavailable or less accessible. Hence direct investment is not necessarily diverted; rather, new FDI is triggered, particularly by firms that previously had not invested abroad and were unlikely to do so under the prior conditions, especially in LAC.

A second argument suggests that differences in the motivation for FDI lessen the degree of substitutability between regions.<sup>34</sup> According to this view, FDI to LAC is mainly

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<sup>33</sup> Economic Commission for Latin America and the Caribbean (ECLAC), *Foreign Investment in Latin America and the Caribbean*, 2002, Santiago, Chile, 2003.

<sup>34</sup> See, for example, P. Nunnenkamp, (2000). “Possible Effects of EU Widening on Latin America”. *The European Journal of Development Research*, Vol. 12.

resource-based or market-oriented, while FDI to CEE countries is chiefly cost-oriented (efficiency-seeking). Until the Asian and Latin American financial crises in 1997 and 2000 respectively, markets in both of these regions were growing rapidly. Hence the domestic-market orientation of FDI did not compete with the more cost-oriented investment in CEE.

Direct investment from the EU-15 in both Asia and LAC grew rapidly during the 1990s as domestic market expansion induced investors to produce near the consumer. At the same time, the economic proximity of the EU and CEE spurred a relocation of certain stages of production from the EU-15 members to the CEE countries. EU direct investment in CEE rose during the late-1990s, especially in Hungary, Poland and the Czech Republic, although this is not seen as having hindered the rapid growth of EU investment in LAC and Asia.

The above arguments, however, are only partial. The accession of the CEE countries to the EU clearly affects LAC's relative position in the competition for FDI. This is quite straightforward for efficiency-seeking FDI. Geographic proximity has obvious transport cost implications, to which must be added other expected reductions in general transaction costs arising from EU membership. The presence of a skilled workforce in the CEE countries adds to these advantages in hub-spoke production and outsourcing.

Most importantly, for market-seeking FDI in LAC, problems related to contractual relations and uncertain economic prospects (including exchange rate volatility) in some countries have negatively affected risk perceptions and dampened expectations of returns on investment in the region. Political and social instability add to uncertainty, as do weak legislative and regulatory frameworks and the overall attitude towards FDI.

In short, conditions for both market-oriented and efficiency-seeking FDI suggest a declining profitability of investment in LAC relative to CEE. Recent limitations in the availability of FDI resources (Graph 16) add to the pressure on locational decisions and priorities. This latter factor has not been considered in analyses, for the simple reason that the data used did not go beyond 2000.<sup>35</sup> Resource availability, of course, is also endogenous to global and regional market conditions. Nonetheless, it is worth stressing that in current global circumstances, relative differences seem to shift FDI flow structures in favor of CEE. In 2002, flows to CEE surpassed those to LAC.

### ***Latin America and the new EU members***

As might be expected, CEE investment positions in LAC are marginal, if not non-existent. Most investment is through Caribbean offshore centers. According to Eurostat, by the end of 2001 the CEE countries' FDI positions were concentrated in the EU-15 and neighboring countries. The Czech Republic has the highest level of investment in LAC with \$5 million, which represents just 0.4 percent of the country's total foreign assets. Poland and Slovenia follow, with \$1.8 and \$1.6 million, respectively, or about 0.15

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<sup>35</sup> For example, Institute for European-Latin American Relations (IRELA) (1997). *Closer European Union Links with Eastern Europe. Implications for Latin America* (Madrid: IRELA). See also P. Nunnenkamp, (2000), *op. cit.*

percent of their foreign positions. The remaining countries either do not report or have negligible FDI stocks in LAC.

### **FDI Flows by Subregion and Enterprise Strategies**

Beginning in 2000 and especially in the following years, FDI flows to LAC contracted. This stemmed from several factors at the international, regional and national levels. At the global level, FDI flows receded in 2001 for the first time in a decade, the result of the weakening global economy and a decline in equity values, which restricted firms' access to capital and prompted a fall in cross-border M&As. At the regional level, FDI inflows were negatively affected by economic crises and devaluations, the slump in privatizations, and political uncertainties.

The downturn, however, has varied by subregion. The greatest contraction was in flows to Mercosur (where the growth of flows had been strongest in the late-1990s), the result of economic crises in Argentina and Uruguay, and the completion of privatization processes and slower growth in Brazil and Chile. FDI flows to Mexico and the Andean Community countries were less negatively affected.

In many ways, the decline in direct investment in LAC is rooted in changes in the sectoral pattern of FDI since the late-1990s.<sup>36</sup> Unlike manufacturing or natural resource-based FDI, service sector FDI (mostly in non-tradables), is location-bound and domestic market-oriented, generating local currency earnings that are vulnerable to the risk of devaluation. FDI in banking and infrastructure is vulnerable to regulatory risks. Furthermore, the consumption of services can be very income-elastic – that is, it depends on the population's level of real income. In 2002, the sectoral composition of FDI stock in LAC was as follows: 54 percent in services, 27 percent in manufacturing, and 18 percent in primary activities.<sup>37</sup>

The concentration of FDI in the services sector is particularly strong in Mercosur. In Brazil, in the 1997-2000 period, over 81 percent of all FDI inflows were in services. A large share of these investments were carried out by European firms, and chiefly by Spanish companies. This picture changed with the deterioration of global economic conditions and corporate credit retrenchment, as well as the completion of privatization and slower growth: in 2000-2001, less than 60 percent of FDI inflows were in services, while the share of FDI in manufacturing rose to 35 percent in the same period. Not only was there a steep decline in the acquisition of local firms by multinational enterprises, but the source of M&A transactions shifted to local investors. An example is the purchase of Spain's BBVA Brazilian operation by Banco Bradesco, the second largest national bank, for \$789 million. In other cases, multinational enterprises adapted by rationalizing or

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<sup>36</sup> World Bank, *Global Development Finance, Harnessing Cyclical Gains for Development*, Washington, April 2004.

<sup>37</sup> In Asia, 34 percent of FDI was concentrated in the services sector, 62 in manufacturing, and 5 percent in the primary sector. *Ibid.*

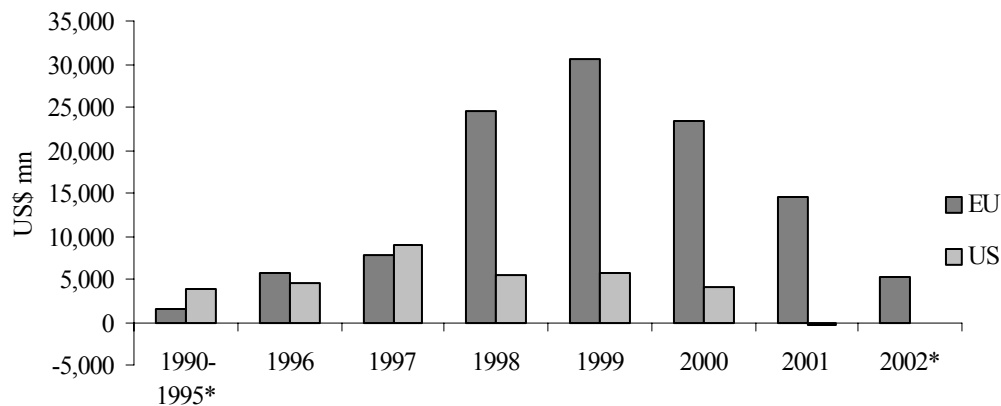
restructuring their activities, or sometimes by shutting down their operations – as did France’s Crédit Agricole in Argentina.

The devaluation of the Argentine peso, coupled with uncertainties in contractual relations, strongly affected foreign firms’ activities and strategies. Those serving the domestic market were hit particularly hard, in financial and non-financial services and in public utilities. Few foreign investors left the country, but many reacted by cutting back financial support to affiliates, postponing new investment, repatriating profits and paying back inter-company loans.<sup>38</sup>

On the other hand, devaluations increased the competitiveness of manufacturing industry, and foreign firms in Argentina and Brazil responded by increasing their exports, particularly to the rest of Latin America and especially to Mexico. This generated new investments, such as that in the automobile sector by firms like Volkswagen in Brazil and Peugeot Citroen in Argentina.

By the end of 2001, EU FDI stock in the Mercosur countries amounted to \$112 billion, compared to \$52 billion from the United States.

**Graph 19. Net Outflows of FDI from the EU and US to Mercosur, 1990-2002**



Note: 1990-1995 is annual average; 2002 US flow is estimated without Paraguay and Uruguay.  
Source: See Tables 28-29 in the Statistical Annex.

In Chile, cumulative EU investments amounted to \$11 billion over the 1996-2001 period, while EU FDI stock in the country stood at \$15 billion at the end of 2001. FDI flows from the United States to Chile over that period amounted to \$6 billion, with end-2001 FDI stock of \$12 billion. Foreign investment is concentrated in the mining sector, public utilities and financial services.

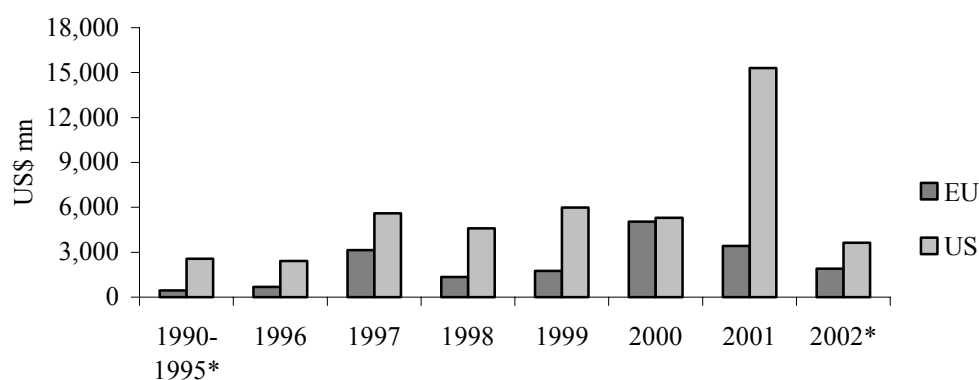
The United States is the main investor country in Mexico. During the 1996-2001 period, cumulative FDI flows from the United States to Mexico amounted to \$39 billion, compared to \$17 billion from Europe (FDI from the United States was particularly high

<sup>38</sup> World Bank, *Global Development Finance, Harnessing Cyclical Gains for Development*, April 2004.

in 2001 because of the purchase of Banamex by Citicorp for \$12.5 billion). In contrast to the rest of Latin America, especially Mercosur, FDI in Mexico is to a large extent efficiency-seeking. This can be attributed to Mexico's membership of NAFTA, which is increasingly strengthening the links between the Mexican economy, particularly its manufacturing sector through intra-firm links, and that of the United States. The US economic downturn in recent years has affected FDI in Mexico, but it has not been as severe as in other parts of Latin America and is mainly seen as cyclical. It is worth noting, however, that Mexico is facing mounting competition from China as an investment location, which is mainly affecting investment in lower valued-added *maquila* industries.

In recent years, FDI in Mexico has been relatively high in the services sector, largely in the financial sector, where the participation of European investors is also significant. In 2002, HSBC of the United Kingdom acquired the Mexican financial group Bital for \$1.3 billion.

**Graph 20. Net Outflows of FDI from the EU and US to Mexico, 1990-2002**



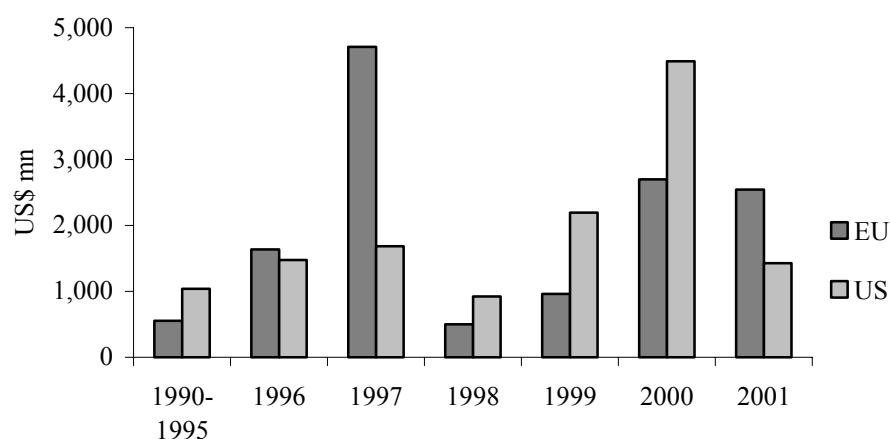
Note: 1990-1995 is annual average; 2002 is estimated.

Source: See Tables 28-29 in the Statistical Annex.

European FDI flows to the Central American countries amounted to \$364 million in the 1996-2001 period, compared to \$1.8 billion from the United States. Costa Rica is the main recipient of FDI in the subregion. FDI in Central America has slackened in recent years, especially in clothing manufacturing (destined for exports to the United States), and tourism.

EU direct investment in the Andean Community countries amounted to \$13 billion in the 1996-2001 period, and FDI from the United States totaled \$12 billion. Both European and US investment is concentrated in raw materials extraction, especially hydrocarbons. Given the strategic nature of these products, FDI in the subregion (Venezuela excepted) has been less affected by the recent deterioration of the international investment climate.

**Graph 21. Net Outflows of FDI from the EU and US to the Andean Community, 1990-2001**



Note: 1990-1995 is annual average.

Source: See Tables 28-29 in the Statistical Annex.

### **Prospects for European FDI Flows to LAC**

The growth and high level of FDI flows to LAC in the late-1990s were in many ways exceptional, springing from a confluence of several very favorable circumstances at the global and regional levels, and from factors specific to Europe. To some extent, therefore, the decline in FDI flows to the region after 2000 should be viewed as a correction of the extraordinary level attained by 1999. While the worsening of global economic conditions after 2001 also had a significant impact on global FDI flows and those to LAC, several domestic obstacles continue to impede a higher level of investment flows to the region.<sup>39</sup>

One of the prime structural problems facing most LAC economies (although less so in the cases of Mexico and Chile) is how to transform themselves from targets of market-seeking FDI, aimed mainly at the public utilities and other non-tradables sectors, into viable platforms for regional, and particularly extra-regional, export activities. One opportunity might lie in diversifying the investment LAC receives from Europe in such a way as to emphasize activities that are less dependent on local demand. To do this the region would have to improve its structural competitiveness so as to attract more efficiency-seeking investment.

LAC's ability to refocus inward investment in the tradables sector is likely to be affected by two developments. The first is the prospect of further Western Hemisphere integration. The FTAA, or the bilateral free trade agreements signed between the United States and various LAC countries, would offer the latter the same access to the North

<sup>39</sup> E. Amman and Ž. Vodusek, *Foreign Direct Investments in Latin America: The Role of European Investors – An Update*, IDB/SOE, Forthcoming.

American market as that currently enjoyed by Mexico under NAFTA. The second is the prospect of an EU-Mercosur agreement. Such an accord could have profound implications for flows of European FDI to the subregion, in manufacturing activities as well as in agribusiness. European manufacturers have already begun to explore the potential of Mercosur as an export platform, not least in the automotive sector.

As regards the scale of FDI to LAC, there are indications that in 2004, after four years of contraction, flows will rise again. This is corroborated, first, by the apparent recovery of the world economy: according to the IMF, the global economy is set to grow by 4.5 percent in both 2004 and 2005.<sup>40</sup> Second, LAC is also expected to experience an economic recovery. The IMF has forecast growth of 3.9 percent in 2004 and 3.7 percent in 2005. Growing macroeconomic and political stability should also have a positive impact on FDI flows.

Several business surveys suggest that confidence in the region has grown, and point to Mexico, Brazil and Chile as the preferred investment locations.<sup>41</sup> There are also signs of a recovery in M&As in Europe and North America, which could augur well for cross-border transactions in LAC. European investors have already undertaken a number of transactions in the region in the early months of 2004. In February the Spanish bank BBVA announced its intention to buy its remaining stake in Mexico's leading Bancomer bank for \$4.1 billion. Endesa, also from Spain, has injected \$2.1 billion into its Chilean subsidiary Enersis.

These developments are promising, but LAC will continue to face serious challenges in its efforts to attract new FDI from Europe and elsewhere. The region will have to compete hard against countries in Eastern Europe and Asia to draw the attention of foreign investors. In that regard the LAC countries will have to address the structural deficiencies and competitiveness shortcomings stemming from a legacy of underinvestment in education, transport infrastructure and science and technology, as well as "country cost" arising from regulatory restrictions and economic volatility.

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<sup>40</sup> IMF, *World Economic Outlook, Advancing Structural Reforms*, Washington, April 2004.

<sup>41</sup> AT Kearney, FDI Confidence Index. Global Business Policy Council. September, 2003. Global Investment Prospects Assessment (GIPA) UNCTAD-DITE 2004.

## **V. POLICY INSTRUMENTS TO PROMOTE EU-LAC ECONOMIC RELATIONS**

Since the mid-1990s there have been significant changes in EU economic policy towards LAC. The European Commission's policy document of 1995, "The European Union and Latin America: The Present Situation and Prospects for Closer Partnership 1996-2000", introduced a differentiated approach that sought to adapt biregional cooperation to the specific circumstances and needs of different countries and subregions. Europe's relations with the economically more advanced LAC countries were to develop towards "activities of mutual interest" and, in the economic arena, towards freer reciprocal trade.

On the basis of these guidelines, the strengthening of Europe's trade links with Mercosur, Chile and Mexico moved to the forefront of the EU's Latin American policy agenda, and discussions were launched for a series of new agreements. Thereto, market access for Latin American exports to the EU had been (and in most cases continues to be) regulated by general WTO rules and the preferences granted under the EU's GSP. Exports from the Caribbean countries were covered by the trade preferences of successive Lomé Conventions.

### ***The Generalized System of Preferences***

The GSP consists essentially of tariff cuts or exemptions for finished or semi-finished industrial products and a number of agricultural goods. The preferences are unilaterally granted by the EU and are non-reciprocal. The system has been revised periodically in an effort to redistribute its benefits in line with the beneficiaries' development levels; the aim was to improve the preferential advantages of the less developed countries. Two innovations were particularly important. First, "tariff modulation" allowed a variation of the preferential duty (previously this was automatically zero, although tariff quotas could be applied), according to the sensitivity of a given product. Second, a country-sector "graduation mechanism" was introduced, based on an assessment of a particular country's industrial capacity in specific sectors. If a country reached a development level in which the GSP was no longer deemed necessary to sustain satisfactory export levels, its preferences in the sector concerned were gradually withdrawn.

Since the scheme's inception in 1971, exports from all Latin American countries were entitled to benefit from the GSP. Additionally, in 1990 the Andean countries (Venezuela since 1995) were granted particularly favorable GSP preferences as part of the EU's support for the fight against drug trafficking. In 1991 these enhanced GSP benefits were extended to many agricultural products from the Central American countries and, in 1999, to the latter's industrial goods. The "drugs GSP" is discussed later in this chapter.

GSP reform altered the scheme's impact on Latin American exports to the EU. The introduction of the graduation mechanism affected economically more advanced countries such as Argentina, Brazil, Chile and Mexico, which gradually ceased to benefit from GSP preferences for a range of products. Hence, in part, their interest in reciprocal free trade arrangements with the EU.



### ***The Lomé preferential trade regime***

Since 1975 the Caribbean countries (Caricom members, plus Haiti and the Dominican Republic since their accession to the ACP group in 1989) have benefited from general, non-reciprocal trade preferences for raw materials, industrial goods and agricultural products granted to the ACP states under successive versions of the Lomé Convention. Exports from the ACP countries have enjoyed the same treatment as intra-EU exports, with the exception of agricultural products covered by the CAP. These products, however, have enjoyed margins of preference over imports from third countries, as well as duty-free access to the EU market for fixed quantities of key commodities such as bananas, sugar, rum, beef and veal on the basis of the Convention's commodity protocols. The Lomé preferences ensure that practically all Caribbean exports to the EU have duty-free access.

### **Towards Commercial Reciprocity: The First Four “Generations” of Economic Cooperation**

Since 1971, the European Community has signed several commercial and cooperation agreements with Latin American countries or subregions, all seeking to strengthen trade and economic relations through cooperation in various areas. There are now contractual relations for cooperation between the EU and all Latin American subregions and countries except Cuba.

- The “*first generation*”, non-preferential accords concluded in the early-1970s with Argentina, Brazil, Mexico and Uruguay were of limited scope. The signatories granted each other MFN treatment, offering the highest degree of liberalization of imports and exports applied to third parties, and agreed to cooperate on agricultural trade issues.
- The “*second generation*” agreements of the early-1980s with Brazil, the Andean Pact and Central America continued to address development assistance largely as a one-way transfer, but they went further in defining areas of trade and economic cooperation. The 1983 agreement with the Andean Pact, for example, included fields such as closer links between the two regions' industrial, farming and mining sectors; science and technology; industrial development; cooperation in agro-industry, fisheries, infrastructure, transport and communications, the environment, energy and tourism; and inter-company links in the form of joint ventures.
- The “*third generation*” framework agreements of the early-1990s with Argentina, Brazil, Chile, Mexico, Paraguay, Uruguay, the Andean Community, Central America and Mercosur made provision for a broadening of trade- and investment-related cooperation activities. In these accords, development assistance was complemented by cooperation in areas deemed to be of “mutual benefit”. Similar in scope and content, the agreements covered industrial cooperation, the promotion of investment, fostering business contacts, technology transfer, and cooperation in productive sectors such as agriculture, agro-industry, fisheries, mining and services.

In the mid-1990s, new agreements added reciprocal trade liberalization to cooperation in areas of mutual interest: the Inter-regional Framework Cooperation Agreement with Mercosur (December 1995); the Framework Cooperation Agreement with Chile (June 1996); and the Economic Partnership, Political Coordination and Cooperation Agreement with Mexico (December 1997).

Going beyond the third generation agreements of the early-1990s, these accords systematized and expanded the areas of “advanced” cooperation (on intellectual property, science and technology, telecommunications and information technology) and emphasized the central role of economic and business cooperation, as well as investment promotion. They rest on three pillars:

- the institutionalization of regular **political dialogue** on matters of mutual interest, and permanent consultation in international fora;
- the intensification and improvement of **cooperation**; and
- preparing the ground for the promotion and diversification of trade and investment flows, including the progressive and reciprocal **liberalization of trade**.

This third pillar, the trade component, was the most notable (and most publicized) departure from previous agreements. It should be noted, however, that these accords are more than commercial: they are part of a comprehensive approach aiming at sustainable development, macroeconomic stability, poverty alleviation and the consolidation of democracy and good governance. Hence trade liberalization and the promotion of economic and business links are simply parts of the stronger inter-regional relationship sought on several levels. The concept of an “association”, fixed as the ultimate goal of the mid-1990s agreements with Mexico, Chile and Mercosur, reflects the breadth of the approach.

### ***The pursuit of reciprocity: motivations and limitations***

There are a number of motivations for the pursuit of trade liberalization between the EU and Mercosur, Chile and Mexico. From the Latin American perspective, easier access to the EU market and the promotion of European investment were seen as helpful in diversifying the region’s external economic links and bolstering export-led growth. Since most LAC exports already enter the EU market duty-free or under favorable conditions (through the MFN clause or the GSP scheme), the benefits of trade liberalization with the EU are not solely a question of better market access – although free trade agreements allow for the elimination of the remaining high tariffs and non-tariff barriers, and offer a chance to address market access for non-goods sectors. Perhaps as important for LAC is to secure stability and predictability in its trade relations with Europe by replacing unilateral and temporary preferences with reciprocally binding rules, and by establishing dispute settlement mechanisms. Additionally, cheaper imports of European capital goods should help make LAC companies more competitive, as will the growth of domestic and foreign investment induced by the prospect of freer access to the EU.

For Europe, free trade agreements are seen as a means of consolidating the presence of European companies in the most promising of the region's emerging markets, and of strengthening their position against competitors from other LAC trade partners. Hence one incentive for trade liberalization with Mercosur, Chile and Mexico has been to minimize the loss of Europe's market share arising from trade integration in the Western Hemisphere, and to mitigate the potential future impact of the FTAA. Concerns about a decline in the European presence in LAC, and of an erosion of economic relations in the medium term, were evident in the case of Mexico and were spurred further by negotiations for a Chile-US trade accord. Moreover, free trade agreements between the EU and the more economically advanced LAC countries would entail the removal of the relatively high tariffs still applied in some cases; Mercosur tariffs, for example, are on average substantially higher than those in Europe.

The move toward reciprocity in the EU's relations with Mercosur, Chile and Mexico reflects the weight of European economic interests in those countries. A corresponding appreciation of the economic potential of the Andean and Central America countries, and thus of the strategic importance of closer relations with them, has been less evident in the EU. A desire for long-term, stable and free access to the European market through binding association agreements, including reciprocal free trade, has nevertheless been expressed by the main beneficiaries of the GSP. The Andean and Central American countries have continued to press for their own "fourth generation" agreements with the EU, including trade liberalization.

### **The EU-Mexico Agreement**

The EU-Mexico Economic Partnership, Political Coordination and Cooperation Agreement of December 1997, often termed the "global agreement", created a ministerial-level Joint Council to supervise its own implementation. Articles 4-7 established that, for the purposes of liberalizing trade, the Joint Council would decide on the timetable and all pertinent arrangements for such liberalization, and that the corresponding decisions of the Council of the EU would enter into force as soon as they were adopted.

Together with the "global agreement", an Interim Agreement on Trade and Trade-related Matters was also signed in 1997. The latter accord included all the trade-related provisions of the global agreement and was important because it allowed trade negotiations to begin before the global accord entered into force. This was possible because the Interim Agreement centered on goods trade, a common policy that falls under the competence of the European Commission. Hence it did not have to go through the lengthy process of ratification by the parliaments of all EU member states – a procedure to which the global agreement was necessarily subject, since it addressed issues in which the member states have competence.

Trade talks could thus begin as soon as the Interim Agreement was concluded. The negotiations were unusually swift, lasting only a year, and at their conclusion the EU-

Mexico free trade agreement was the outcome of decisions taken by the EC-Mexico Joint Council:

- Decision 2/2000 established a **free trade area in goods**. This decision was adopted on March 23, 2000 and entered into force on July 1 of the same year. It provided for: (i) the liberalization of trade in goods; (ii) the opening of the two sides' government procurement markets; (iii) cooperation in the field of competition; (iv) a consultation mechanism on intellectual property matters; and (v) a dispute settlement mechanism.
- Decision 2/2001 established a **free trade area in services**. It was adopted on February 27, 2001 and entered into force on March 1, 2001. It made provision for: (i) the liberalization of trade in services; (ii) the liberalization of investment and related payments; (iii) the protection of intellectual property rights; and (iv) dispute settlement.

All trade in **industrial goods**, which accounts for some 93 percent of total bilateral commerce, will be tariff-free in 2007, and a substantial amount before then. The EU liberalized 82 percent of industrial products when the agreement entered into force in July 2000, and removed tariffs on the rest by 1 January 2003 (when industrial products were fully liberalized in NAFTA). Mexico eliminated 47 percent of its tariffs on industrial goods upon the agreement's entry into force, and removed tariffs on another 5 percent by 2003. The remaining 48 percent will be liberalized by 2007. Since last year, Mexico has applied a maximum tariff of 5 percent on industrial goods imported from EU member states. EU regulations on rules of origin apply to most industrial goods imported from Mexico, with exceptions in some sectors (textiles, footwear and vehicles, among others).

The liberalization of trade in **agricultural products** is somewhat less comprehensive, covering 80 percent of EU farm imports from Mexico and 42 percent of Mexico's imports from Europe. Areas liberalized immediately include key European agricultural products such as olive oil, wine and alcoholic beverages, as well as important Mexican exports such as avocados, flowers and orange juice. Tariffs on several sensitive goods will be eliminated gradually over ten years. As to **fisheries**, by 2010, 100 percent of EU imports will be liberalized, as will some 89 percent of Mexico's purchases from the EU.

Trade in **services** will also be liberalized progressively within a maximum of ten years; liberalization is in two phases. With the agreement's entry into force, a standstill clause prevented both sides from adopting new discriminatory measures or strengthening those prevailing. After five years the EU and Mexico are to agree on a schedule for the elimination of substantially all the remaining restrictions over a decade. The free trade agreement covers all sectors (including key areas such as financial services, telecommunications and energy), with the exception of air transport, audiovisual services and maritime cabotage.

The elimination of barriers to **investment** flows began in 2003. The liberalization of related payments had started in July 2000 when the agreement entered into force. Intellectual property rights will be protected according to the "highest international

standards”, and the accord establishes a committee on intellectual property matters. With regard to rules on competition, the agreement establishes cooperation mechanisms to guarantee compliance with the two parties’ legislation. In the area of public procurement, the EU is given NAFTA-equivalent access to the Mexican market, while Mexico secures preferential access similar to that offered by the EU under the WTO Government Procurement Agreement. Finally, the free trade agreement establishes dispute settlement mechanisms to ensure compliance with all its provisions.

## EU-Chile

Negotiations for the EU-Chile association agreement lasted two years, from the first round in April 2000 to the conclusion of the talks at the tenth round in April 2002. The agreement was signed in November of that year. The accord has not formally entered into force because not all EU members have yet ratified it, although much of the trade chapter, the institutional framework and the trade-related cooperation provisions have been applied provisionally since February 2003.

The trade chapter of this agreement is perhaps the most ambitious negotiated by the EU. It goes substantially beyond the two sides’ WTO commitments and covers all the areas of bilateral trade relations: a free trade area in goods, services and government procurement, the liberalization of investment and capital flows, the protection of intellectual property rights, cooperation in the field of competition, and dispute settlement. The agreement’s built-in agenda is designed to ensure that the trade provisions evolve: several sections provide for future review for the purpose of deepening the preferences granted. The agreement establishes a free trade area in goods through progressive and reciprocal liberalization over 10 years, by which time some 97.1 percent of bilateral commerce will be free. According to the European Commission, only 0.4 percent of total bilateral trade will not benefit from any form of liberalization.

In the area of **industrial products** the EU eliminates tariffs on virtually all imports from Chile (99.8 percent) when the agreement enters into force; the rest are removed on January 1, 2006. Chile similarly eliminates industrial tariffs: most (covering 91.7 percent of its imports from Europe) when the agreement comes into effect; another 4.5 percent on January 1, 2008; and the remainder (3.8 percent) on January 1, 2010.

As to **agricultural products**, on entry into force the EU removes tariffs on 33 percent of its imports from Chile. The rest are removed by January 2007 (55 percent), January 2010 (12 percent), and January 2012 (0.2 percent). Since some products will benefit from other forms of preferential treatment (tariff quotas for products such as meat, cheese, certain fruits and sugar confectionary), agricultural products excluded from any form of liberalization represent just 0.9 percent of total EU imports from Chile. For its part, Chile removes tariffs on 81.9 percent of its agricultural imports from Europe: 61.5 percent when the agreement enters into force; 16.6 percent in January 2008; and 3.8 percent in January 2012. Moreover, Chile grants the EU preferential tariff quota treatment for products such as olive oil and cheese. As regard **fisheries** products, the EU eliminates

tariffs for 90.8 percent of fish imports from Chile: 34.3 percent at entry into force; 39.6 percent in January 2007; 2.4 percent in January 2010; 14.5 percent in January 2012. Chile eliminates tariffs on 97.6 percent of its fish imports from the EU at entry into force.

The agreement also establishes a free trade area in **services** in conformity with Article V of the GATS. The two sides have made a large number of commitments that substantially eliminate discriminatory measures between them and expand the coverage of sectors relative to their GATS commitments. The coverage of financial services is particularly significant: according to the Commission, it represents the highest degree of liberalization ever achieved in a bilateral trade agreement, both in terms of market access commitments and of the framework of rules to be applied by the signatories.

The chapter on **government procurement** includes provisions ensuring respect for the principles of national treatment, non-discrimination and transparency, as well as rules on tendering procedures and time limits to ensure that both parties' suppliers have the same treatment and opportunities as domestic operators in their respective markets. The provisions on **payments and capital movements** free all current payments and transfers between Chile and the EU, as well as capital movements related to FDI.

The tariff component of the EU-Chile agreement has been applied provisionally (pending the accord's full ratification) for a little more than a year, and thus it is premature to assess its results. Nonetheless, it seems plain that the two sides will benefit appreciably. For Chile, the agreement is an important part of the network of bilateral trade accords that embody the country's policy of export-oriented economic opening. Chile secures the removal of tariffs on some goods of crucial interest, such as fisheries products, as well as fewer non-tariff barriers. The almost complete elimination of tariffs on industrial products should allow Chile to break the pattern whereby its main sales in the European market are agricultural raw materials, and metals and minerals.<sup>42</sup>

### EU-Mercosur Negotiations

Negotiations for the new association agreement with Mercosur were launched at the Rio Summit in June 1999 and began formally in November of that year. The negotiations cover the full range of commercial relations: trade in goods (including customs matters, rules of origin, non-tariff disciplines and trade defense instruments); services trade; sanitary and phytosanitary measures; a wine agreement; the liberalization of capital movements and payments; the encouragement of an open and non-discriminatory investment climate; opening up government procurement markets for goods, services and public works; competition policies; intellectual property rights; and dispute settlement.

The negotiations have been substantially more protracted than those that led to the EU-Mexico and EU-Chile agreements. To date there have been 13 rounds of talks since the

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<sup>42</sup> Luis Xavier Grisanti, *El nuevo interregionalismo trasatlántico: La asociación estratégica Unión Europea-América Latina*, Occasional Papers – Special Initiative on Trade and Integration, Inter-American Development Bank (INTAL-ITD). March 2004, pp 57-58.

biregional negotiations committee first met in April 2000. The first meetings were mainly devoted to non-trade matters and discussion of the structure, methodology and scope of the negotiations, as well as to establishing a work program. Talks on tariff reduction and services were launched during the fifth round in July 2001, when the European side presented Mercosur with the EU's initial tariff offer and negotiating texts for goods, services, and government procurement. Mercosur presented its tariff offer in the sixth round in October 2001, as well as negotiating texts on services and government procurement.<sup>43</sup>

By mid-November 2003 the two sides were able to agree on a work program for what was expected to be the final phase of the process in 2004. This envisaged a ministerial meeting during the Guadalajara Summit, a final negotiating round in July 2004, and a concluding ministerial meeting in October 2004 to complete the process. By the time of the twelfth round (March 8-12, 2004) in Buenos Aires, much of the political and cooperation chapters had been negotiated. About half the brackets were removed from the draft and only a few significant issues remained open. Progress was also made on the trade chapter: the sections on technical barriers, competition and customs were finalized.

New offers were tabled by both sides at a meeting on April 18-19, 2004, allowing further substantial progress to be made on trade. Discussion of farm subsidies was precluded, but European negotiators proposed a two-step approach. In a first stage, Mercosur would be granted more generous import quotas for major agricultural products such as beef, dairy goods, sugar and instant coffee. In the second stage, the remaining quotas would be allocated during the Doha Round. Mercosur, for its part, offered the EU preferential access to investment and services sectors, especially telecoms and banking. Mercosur also undertook to hasten the elimination of tariffs on other European goods.

The thirteenth round was held in Brussels on May 3-7, 2004, by which point there was agreement on the whole text of the cooperation chapter. Cooperation is to be in a broad range of areas, including standards, services, investment, energy, transport, science and technology, information society, customs, competition, agriculture and fisheries, and social and cultural cooperation. In the trade chapter, meanwhile, the EU continued to press for greater liberalization of trade in services from Mercosur, and wider opening of government procurement. For its part, Mercosur continued to push for lower barriers to agricultural products such as meat and sugar.

According to early reports, when new tariff offers were made at a meeting in Brussels in May 2004, the EU presented a list of 295 agro-industrial products on which concessions would be made. These are to be removed from the list of 960 products excluded from liberalization in the previous EU proposal. Still to be determined are which goods will have a zero tariff immediately or gradually, which will face a reduced tariff, and which will be subject to quotas. According to European estimates, the EU concession on processed agricultural goods is worth about \$1.2 million in Mercosur exports.

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<sup>43</sup> For the results of the early negotiating rounds, see the information on the European Commission's website: [http://www.europa.eu.int/comm/external\\_relations/mercotur/ass\\_neg\\_text/bnc1-8.htm](http://www.europa.eu.int/comm/external_relations/mercotur/ass_neg_text/bnc1-8.htm).

Present projections are that, in line with the November 2003 work program, the agreement will be concluded by October of this year, the month that the current European Commission leaves office. The EU-Mercosur association will then comprise a free trade area with 680 million European and Latin American consumers and a GDP of \$11.6 trillion. It is nevertheless unclear how ambitious the final agreement might be, especially in sensitive areas such as market access for agricultural goods, services, investment, and government procurement.

### **Central America and the Andean Community**

EU relations with the subregions of Central America and the Andean Community are based on two 1993 regional framework agreements that entered into force in 1998 (for the Andean Community) and 1999 (for Central America). These accords sought to diversify trade and investment links but made no provision for preferential market access. Rather, as mentioned above, the Andean and Central American countries are granted special concessions under the GSP. On December 10, 2001 the EU Council of Ministers agreed to renew the GSP (including the special preferences for the Central American and Andean countries) to December 31, 2004, when there will be a new ten-year review.

Since the Rio Summit in 1999, the Andean and Central American governments have expended much diplomatic energy in Europe promoting the negotiation of association agreements between the EU and the two subregions, comparable to the accords with Mexico and Chile and the planned agreement with Mercosur. Several arguments have been advanced to support this goal. Andean and Central American advocates of association agreements maintain that the GSP does not offer long-term security to investors and exporters, since it consists of temporary and unilateral concessions that can be revoked. There have been complaints, moreover, that the system is technically complex, involving complicated administrative procedures that constrain its use by exporters; that it fails to resolve non-tariff issues; and that its benefits have been gradually eroded by the tariff-reduction that followed the Uruguay Round, the Everything But Arms Initiative, and the EU's conclusion of other association and free trade agreements with trade partners in LAC, the Mediterranean Basin, and among the ACP states.<sup>44</sup>

Additionally, there has been concern among Andean and Central American governments that the Commission's Directorate General (DG) for Trade, over the diplomatic opposition of the countries in both subregions, proposed to the Council of the EU that the GSP preferences be made conditional on Andean and Central American compliance with environmental and labor norms. The Council approved these conditions in December 2001, whereafter the Commission was entrusted with the preparation of annual reports on the subregions' observance of certain standards in those areas. The substance of the reports is not to affect the preferences in the 2002-2004 period, but it can be taken into

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<sup>44</sup> Grisanti, *op. cit.*, pp 77, 83. Ambassador Grisanti's study offers an unusually comprehensive analysis of EU-Latin American relations in recent years.



account for the future renewal of the GSP. Some Andean and Central American observers have regarded these reports a form of “certification”.<sup>45</sup>

Notwithstanding diplomatic activity on the part of Andean and Central American governments, negotiations for association agreements did not begin. Rather, at the Madrid Summit a decision was taken to negotiate new agreements on political dialogue and cooperation between the EU and the two subregions. The talks were concluded after two rounds in October 2003 and both accords were signed the following December. The Commission views these agreements as ambitious: they institutionalize and strengthen the political dialogue and broaden the scope of European cooperation activities. Cooperation now covers new issues such as migration, conflict prevention, good governance and counter-terrorism.

Thus far, however, the Commission has not deemed it appropriate to begin association negotiations. The accords signed in December 2003 are seen as an intermediate step towards association and free trade, but from the Commission’s perspective certain conditions first have to be met. Prominent among those conditions are deeper integration in both subregions and the completion of the Doha Round. Deeper integration, in particular, means a fully-functioning institutional apparatus, the existence of a customs union and a reduction in the barriers to intra-regional trade. Commission sources have indicated that some statement on the start of trade negotiations with the Andean Community and Central America might be made at the Guadalajara Summit.

### **EU-Cariforum Trade Negotiations**

Like its predecessor, Lomé IV, the EU-ACP Partnership Agreement of June 2000 (the Cotonou Agreement) seeks to integrate the three basic elements of European policy towards the ACP states: the political dimension; development assistance; and trade and economic cooperation. The aim of Cotonou is to create a more favorable context for sustainable development and poverty reduction in the ACP countries, and to counteract their social, economic and technological marginalization. The accord is based on democratic principles, respect for the rule of law and human rights, and good governance. Its political component focuses on issues such as governability and accountability.

The cooperation initiatives are financed by a €13.5 billion financial protocol for the period to February 2005. The agreement is valid for 20 years and is open to revision every five years. Unlike the Lomé Convention, it includes a chapter on trade-related issues such as the protection of intellectual property, competition policy, trade and the environment, trade and labor standards, consumer protection and cooperation in international fora. Its main novelty is that it seeks to replace the Lomé Convention’s preferential trade mechanisms with reciprocal free trade between the EU and most ACP countries after a 20-year transition period.

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<sup>45</sup> *Ibid.* pp 83-84

To that end, Cotonou made provision for the conclusion of WTO-compatible trading arrangements through subregion-specific Economic Partnership Agreements (EPAs). Initial deliberations began with an all ACP-EU dialogue launched in September 2002, and negotiations for the EU-Caribbean EPA were launched on April 16, 2004 in Jamaica; the accord is expected to be concluded by December 2007. The talks, launched amid the inauspicious circumstances of contention in the FTAA and WTO negotiations, are in four phases: (i) April-September 2004, to reach some basic understanding on the two sides' main concerns and interests; (ii) September 2004 to September 2005, to agree on the priorities for supporting integration and the targets to be met by the time implementation begins in January 2008; (iii) September 2005 to December 2006, to further consolidate the discussions and channel points of common understanding into elements of a draft EPA; and (iv) January 2007 to December 2007, when the meetings will consolidate the results of the negotiations thus far and the talks will be completed.

The Caribbean countries' current preferential access to the European market will be retained up to 2008, when the EPA is concluded. Thereafter, a 12-year transition period to full reciprocal free trade will begin. The Cotonou Agreement thus contemplates two decades of preparatory and transition periods.

Free trade with Europe will present enormous challenges for Caricom, but the long-term benefits could be significant if a comprehensive agreement is effectively negotiated, if efficient transition mechanisms are put in place by governments in the subregion, and if generous and well-targeted EU assistance remains forthcoming during the transition. Because the region already enjoys tariff-free access to the EU market for virtually all its goods exports, an EU-Caribbean free trade agreement would have to extend far beyond the goods sector in order to be perceived by Caribbean governments as having any greater value-added than the Lomé preferences.

The potential gains for Caricom of opening its own markets to imports from Europe – in terms of improved productivity and export diversification away from non-competitive agricultural commodities – will materialize only gradually and involve adjustment costs. In the short term, the gradual elimination of the Lomé preferences could be detrimental to some countries that remain substantially dependent on EU trade preferences for their exports; significant losses of export earnings and employment might be expected unless there is offsetting compensation. Moreover, since import taxes constitute a key source of revenue for many Caribbean governments, trade liberalization with the EU (especially if it is matched by intra-hemispheric liberalization) is likely to cause fiscal problems.<sup>46</sup> The transition to free trade will therefore require continued EU development cooperation, another of the Partnership Agreement's basic elements.

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<sup>46</sup> See the January 2004 issue of this Periodic Note on *Integration and Trade: Fiscal Impact of Trade Liberalization in the Americas*.

## **VI. TRENDS IN EUROPEAN DEVELOPMENT ASSISTANCE FOR LATIN AMERICA AND THE CARIBBEAN**

### **EU-LAC Cooperation in a Global Context**

Total world flows of official development assistance fell significantly up to 2001, although there were notable regional variations. Asia's inflows of ODA fell sharply from the 1970s while Africa's share increased. In general, aid to Latin America has remained a relatively modest proportion of world flows, although this pattern was partially reversed in the late-1990s when financial crises in middle-income countries spurred a rise in ODA to Latin America and Asia at the expense of Africa.

For most of the past several years, aid from most members of the OECD's Development Assistance Committee (DAC) has stagnated in real terms, and has fallen as a share of the donors' national income. In 2002, however, world flows (including those to transition economies) rose by 14 percent. Moreover, according to preliminary data for 2003, flows rose again last year and reached their highest ever level of \$68.5 billion. There seem to be three main reasons for this volume of aid: (i) a general rise in bilateral grants (of about \$2 billion); (ii) the onset of flows of reconstruction aid to Iraq (\$2 billion); and (iii) a decline in contributions to multilateral concessional funds (-\$1.2 billion), accompanied by a small drop in net lending (\$-0.5 billion).<sup>47</sup>

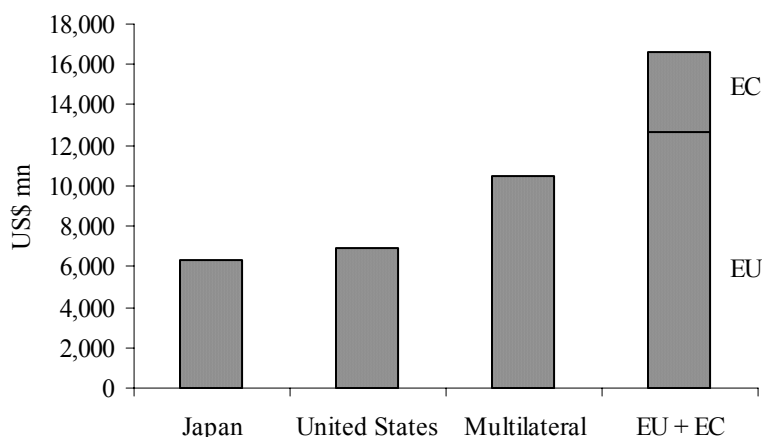
The United States remains the world's main bilateral source of development aid, followed by Japan, France, Germany and the United Kingdom, in that order. In 2002, ODA from the United States stood at \$12.7 billion. No other donor is close to this level: the second-ranked country, Japan, disbursed a total of \$7.1 billion in that year. Combined, however, disbursements from the EU member states and the European Commission totaled over \$28 billion in 2002, making the EU the world's leading source of ODA – a position the Union held throughout the 1990s. About four fifths of the European total in 2002 originated in five sources: the EC, France, Germany, the UK and the Netherlands.

Total *European outflows* of ODA have been fairly stable over the 1994-2002 period and have been climbing steadily since 1997. Total *LAC inflows* of ODA followed the global downward trend for much of the 1990s. In 1994, total net disbursements to the region from bilateral and multilateral sources were \$4.6 billion; by 2000 this had fallen to \$3.6 billion. LAC's *share of European ODA* outflows, nonetheless, was fairly stable between 1994 and 2001, averaging 8 percent a year (about half the share devoted to the transition economies in the same period). In 2002, however, LAC's share of European assistance was just 5.9 percent, a low for the period examined and far below the 16.6 percent devoted to the transition economies. Throughout the period 1994-2002, the EU was by far the leading source of ODA for the region.

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<sup>47</sup> Organization for Economic Co-operation and Development, *Development Cooperation Report*, 2003.

**Graph 22. Total Net Disbursements of ODA to LAC,  
by Major Donors, 1994-2002**



Source: See Table 30 in the Statistical Annex.

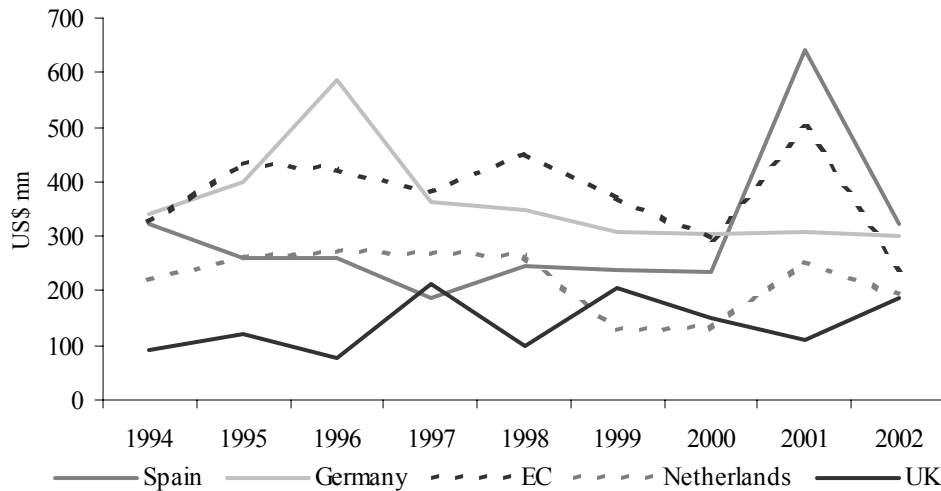
### **Bilateral EU Donors to LAC: Trends in ODA Flows**

Among the salient features of European ODA to LAC in the 1994-2002 period are the relative decline of some traditionally significant donors to the region during much of the period; the sharp fluctuation in year-on-year ODA volumes from some European sources (and correspondingly marked shifts in those donors' share of EU assistance to LAC); and the emergence of the European Commission in the 1990s as the leading source of EU aid for the region: in 1995, and from 1997 to 1999, the EC surpassed all EU donor governments as a source of ODA to LAC. In all other years except 2002 it ranked second. Other prominent features of bilateral aid between 1994 and 2002 are as follows:

- **Spain's** emergence as a significant source of assistance in the 1990s helped partly offset the downward overall trends in much of the decade. Spain was the leading European source of ODA for LAC in 2002, providing \$322 million, or about a fifth of all EU cooperation with the region. Spanish outflows to LAC grew particularly fast between 1999, the year of the Rio Summit, and 2002, the year of the Madrid Summit: by an annual average of 11 percent. For the whole period 1994-2002, the main beneficiaries of Spanish ODA in LAC were, in descending order, Nicaragua, Honduras, Ecuador and Bolivia.
- **Germany**, traditionally one of the main sources of European assistance for LAC, ranked second in EU outflows to the region in 2002, with total net disbursements of \$299 million. After increasing by almost 17 percent in 1995 and climbing again by nearly half in 1996 (when it peaked at \$588 million), German ODA for LAC went into a steady decline and reached a nadir in 2002, almost half the level of its mid-1990s peak. Nicaragua, Bolivia, Brazil and Peru were the main targets of German disbursements in the 1994-2002 period.

- The **European Commission** ranked third as a source of European ODA to LAC in 2002. In line with general EU trends, Commission ODA to the region has fluctuated substantially since the mid-1990s. It peaked at \$452 million in 1998, when EC assistance accounted for a quarter of European outflows. Commission ODA to the region has fallen by almost half since then: in 2002 it stood at \$244 million (15 percent of European outflows to LAC). In the period 1994-2002, the greatest shares of Commission ODA for LAC have been devoted to Peru, Haiti, Jamaica and Brazil. It should be noted that these average shares for the period are somewhat distorted by unusually large disbursements to Brazil in 2001 and 2002: in the latter year, according to OECD data, Brazil accounted for no less than 24 percent of Commission assistance to the whole region.
- The **Netherlands** was a substantial donor to LAC for much of the 1990s, providing about a seventh of European assistance to the region in mid-decade. However, net flows declined sharply after 1998 and did not start to rise again until 2001. The Netherlands ranked fourth as a bilateral European source of ODA for LAC in 2002, but its outflows in that year were more than a quarter down on their 1996 peak. Partly reflecting former colonial ties, Dutch disbursements to LAC in 1994-2002 were mainly devoted to Bolivia, Suriname, Nicaragua and Peru.
- ODA flows to LAC from the **United Kingdom** have fluctuated markedly since the mid-1990s, with some year-on-year falls of over 50 percent and increases of more than 100 percent. British aid to the region climbed by an annual average of 18 percent between 1994 and 1999, but fell by 3 percent a year on average between 1999 and 2002. Fifth-ranked as a bilateral source of EU assistance to LAC in 2002, Britain's main targets in the region for the 1994-2002 period also partly reflect former colonial links: Guyana, Bolivia, Peru, Brazil, the Dominican Republic and Belize. The UK is unusual among most leading EU donors in devoting only a small share of its ODA for LAC to Nicaragua.
- Bilateral ODA from **France** to LAC went into steady decline in 1995 and did not recover to any significant degree until 2002. French assistance to the region fell by 46 percent between 1995 and 2001, when France accounted for just 4 percent of bilateral EU flows to the region. In the period 1994-2002, Bolivia, Haiti, Chile and Brazil received the leading shares of French assistance. These four countries, plus Colombia, accounted for more than half of French ODA for the entire region in that period.
- Among European donors, the trend in **Italy's** ODA to the region is perhaps the most striking. In 1994 Italy was LAC's fourth-ranked donor in the EU, accounting for 13 percent of European ODA flows to the region. Italian aid plunged thereafter, to the point that in 1999, 2000 and 2001, net flows were negative (-\$20 million in 2001) as repayments on previous concessional loans far outweighed the ODA provided.
- Finally, it is worth noting **Ireland's** ODA performance. Irish aid to LAC grew (albeit from a low base) by an average of 38 percent every year between 1994 and 1999, and by another 17 percent annually between 1999 and 2002.

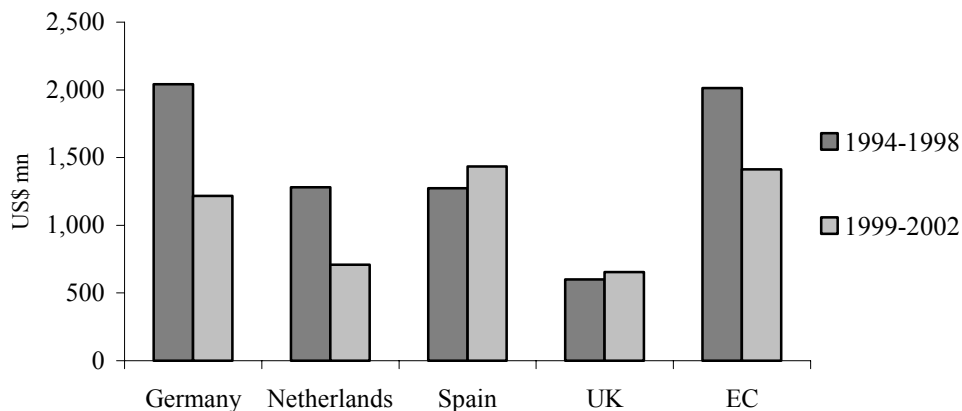
**Graph 23. Fluctuations in ODA Flows to LAC, 1994-2002,  
by Major EU Donor**



Source: See Table 30 in the Statistical Annex.

Overall, the general trend of ODA from the EU (member states plus the EC) to LAC has been downwards since the mid-1990s. Between 1994 and 2002, the accumulated fall in total European ODA to LAC was 12 percent, the same as the percentage decline in US assistance to the region but substantially higher than the 5 percent drop in ODA to LAC from all sources. Consequently, the EU's share of LAC inflows fell from 42 percent in 1994 and 1995 (and 47 percent in 1996) to about 39 percent in 2002. It bears repeating, however, that throughout the entire period 1994-2002, combined European ODA flows made the EU by far the leading source of assistance for LAC: some 42 percent over the period, compared to 18 percent from the United States and 16 percent from Japan.

**Graph 24. ODA Flows to LAC by Major EU Donors,  
1994-1998 and 1999-2002**



Source: See Table 30 in the Statistical Annex.

Total ODA to LAC rose sharply in 2001 relative to 2000: flows from all donors increased by almost 42 percent, and those from the EU grew by almost half. Levels of ODA to the region then dropped again in 2002: from all donors by about 16 percent, and from the EU by about a quarter. It is unclear if the fall in 2002 marked the start of another period of declining flows, similar to that evident in the mid- to late-1990s. The general upturn discernible in the preliminary figures for 2003, however, is encouraging. Moreover, according to the OECD, current donor pledges on ODA suggest that flows to all developing countries will rise by 25 percent between now and 2006, and that disbursements in that year will be the highest in the history of the DAC. These signals are promising, although it is plain that much more will be needed if the Millennium Development Goals are to be met by 2015. Even if the proposed increase for 2006 were to materialize, the total would still be below 0.3 percent of DAC members' gross national income, far less than the UN target of 0.7 percent. Currently, only five countries in the world (Denmark, Luxembourg, the Netherlands, Norway and Sweden), four of them EU members, meet the 0.7 percent target.

### **Geographical Distribution of European ODA in LAC**

#### ***Central America***

Central America has long been a priority destination of EU assistance in Latin America. For the whole 1994-2002 period, members of the CACM were the targets of almost a third of all European ODA flows to LAC. The accumulated growth in annual aid flows to the subregion in that period was 10 percent, from \$503 million to \$553 million. Paralleling broader trends in assistance to LAC, however, the flows were quite volatile: they climbed until 1996, fell by \$302 million in 1997, and seemed to stabilize in the late-1990s. They then surged by over 65 percent in 2001 to a peak of \$946 million, before another sharp decline in 2002. The CACM's *share* of European ODA for LAC has also fluctuated since 1994. It received less than a quarter of EU assistance in 1997, but 43 percent in 2001. The fluctuations seem to stem in large part from responses to natural disasters in the subregion, particularly Hurricane Mitch in 1998. The subregion is also highly dependent on assistance from Europe; in the 1994-2002 period, some 41 percent of CACM aid inflows were from Europe.

**Nicaragua**, in particular, has been the prime LAC target of EU assistance. Since 1994 the country has generally accounted for at least a tenth of all European disbursements to LAC, and in 1996 and 2001 it was the recipient of a quarter of all European ODA in the region. Indeed, for the whole 1994-2002 period Nicaragua received 15 percent of total European ODA for LAC.

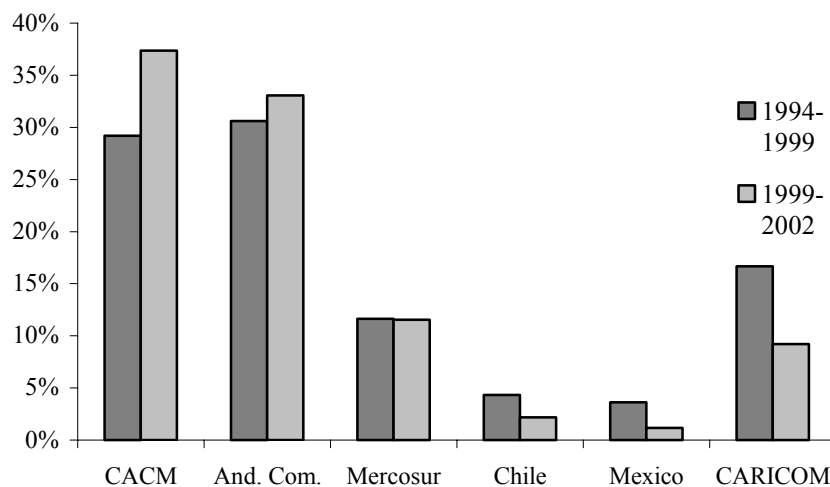
#### ***Andean Community***

European aid to the Andean Community has fluctuated almost as much as flows to Central America over the past decade. ODA from Europe to the Andean Community reached a 1990s peak of \$655 million in 1996 and fell as low as \$482 million in 2000, before reaching a new high of \$692 million in 2002. Overall, in the period between the

Rio and Madrid Summits, European ODA to the Andean region grew by an annual average of 11 percent. The Community's share of EU aid fluctuated somewhat less than that of the CACM. For the 1994-2002 period as a whole, the Andean Community was the recipient of 32 percent of EU aid to LAC, broadly similar to the proportion devoted to Central America.

Within the Andean Community, **Bolivia** has been the main target of European assistance. In fact, between 1994 and 2002, and reflecting trends in the ODA priorities of most leading EU bilateral donors, Bolivia was second only to Nicaragua as a destination of European ODA in LAC, receiving 13.5 percent of disbursements to the entire region (Nicaragua received 14.8 percent). No other country comes close to these shares in the 1994-2002 period; the nearest is Peru, which received 7.7 percent of EU disbursements.<sup>48</sup>

**Graph 25. Share of Net EU ODA to LAC, by Sub-region and Country, 1994-1999 and 1999-2002**



Source: See Table 33 in the Statistical Annex.

### ***Mercosur, Chile and Mexico***

For the relatively more prosperous Latin American countries, European ODA programs have been cut back over the past ten years, a circumstance partly explained by an apparent shift in European thinking on aid, the decline of Italy as a source, and structural changes in Spanish ODA. As the focus of Spain's assistance has moved away from export-promotion towards untied programs that are more in line with broader European strategy, aid to the wealthier countries that were capable of absorbing Spanish export credits has fallen.<sup>49</sup>

<sup>48</sup> Worth noting is that, overall between 1994 and 2002, almost 54 percent of EU disbursements to LAC went to just six countries: Nicaragua, Bolivia, Peru, Brazil, Honduras and Guatemala.

<sup>49</sup> See "The European Union as a Global 'Civilian Power': Development Cooperation in EU-Latin American Relations," Christian Freres, *Journal of Latin American Studies and World Affairs*, Vol. 42:2, pages 63-85.



European ODA to Mercosur has been in fairly steady decline for most of the period under review. The single exceptional year was 2001, when there was a surge of over 600 percent in aid to **Argentina**. Flows to Argentina, however, turned negative in 2002 and thus the downward trends in assistance to Mercosur as a whole continued. To a large extent, the huge increase in disbursements to Argentina in 2001 stemmed from an abrupt rise in flows from the EC: ODA from the Commission grew from \$10 million in 2000 to \$130 million the following year. Spanish credits, by contrast, which had been significant in Argentina in the mid-1990s, were negative for the whole 1998-2001 period when Argentina's economy was in crisis; net flows from Spain did not turn positive again until 2002. European ODA to **Brazil** was steady between 1994 and 2000 but here too flows rose substantially in 2001 (by 54 percent). Again, in large part this reflected a surge in ODA from the EC, whose disbursements to Brazil increased from \$17 million in 2000 to \$70 million the following year – a rise of over 300 percent. Since 1997, Brazil has been a favored destination of German aid in particular.

In line with broader trends, European ODA to the wealthier countries of **Mexico** and **Chile** has declined sharply following a rise in the early years of the 1990s. In 2002, net European ODA flows to Mexico were down by over 90 percent from the 1994 level. Flows to Chile were down by almost three quarters.

### ***The Caribbean Community***

The Caribbean countries of the ACP group have a special status in European ODA programs, and assistance to the region is contractual. The Treaty of Rome provided for a European Development Fund (EDF) to offer financial and technical assistance to “associated” dependent territories and ex-colonies, and their status has been secured by subsequent ACP-EU agreements, from the Yaounde Agreement of 1963, through the successive extensions of the Lomé Convention, to the Cotonou Agreement of 2000. These accords set contractual obligations for EU assistance to the Caribbean. Actual flows have tended to exceed the obligations, and the agreements establish a level of ODA certainty that is absent in Latin America. Notwithstanding the above observations, Caricom members have been affected by ODA volatility in the past ten years, and in 2002, European aid disbursements to Caricom were only half those recorded in 1994. Haiti, Guyana, Suriname and Jamaica were the leading recipients of EU aid to the subregion during the 1994-2002 period.

## **Sectoral Composition of European Assistance in Latin America**

The data suggest that EU member states differ significantly as to the best means of effecting development aid, a circumstance reflected in the diverse sectoral distribution of assistance at the bilateral level. The diversity makes it hard to draw precise patterns from the aggregate sectoral distribution data of EU members. In general terms, it can be said that EU members focused on “Action Relating to Debt” in their ODA commitments in the mid- and late-1990s and that they have increasingly favored resources for what the OECD categorizes as “Social Infrastructure and Services” (especially its subsector of

education) over “Economic Infrastructure and Services”.<sup>50</sup> For a broad picture of European trends, the development activities of the European Commission – the leading European donor for much of the period under review – provide a useful frame of reference.<sup>51</sup>

It is not simple to devise a precise categorization of the Commission’s development activities that can be cross-referenced with particular programs and specific projects. Some programs overlap sectoral definitions and others are “horizontal”, in that they seek to meet multiple development goals. Nonetheless, it is possible to discern patterns in target areas and implementation strategies. Commission assistance can be grouped into some broad categories.

- In 2002, some €123 million was assigned to **financial and technical cooperation** (budget line B7-310). Seventeen new financial and technical cooperation projects were financed by the Commission in Latin America in 2002, largely concentrated in the environment and rural development, institutional support, the private sector, health, education, underprivileged groups, the rule of law, and regional integration.
- Some €121 million was committed to **economic cooperation** (budget line B7-311). The five new projects financed under economic cooperation were mainly regional operations in fields such as AI-Invest programs to foster links between European and Latin American small and medium enterprises (SMEs), regional integration and higher education under the Alban program, and strengthening the Alfa scheme.<sup>52</sup>

The €244 million committed to Latin America through these two budget lines in 2002 were distributed as follows: Central America and Mexico, 37 percent; the Andean Community, 27 percent; the Southern Cone, 17 percent; the Latin America region, 16 percent; unallocated funds, 3 percent.

National and regional programming for Latin America followed a number of broad lines in 2002. The **social** sector (according to DAC criteria) accounted for 56 percent of programming, involving significant flows for education, social infrastructure, support for disadvantaged groups, and the fight against poverty. **Support for civil society** also accounted for a large share of regional programming, especially the Alfa, AI-Invest, Urb-

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<sup>50</sup> See OECD database, *Sectoral Distribution of Bilateral Official Development Assistance Commitments*, Vol. 2002.

<sup>51</sup> It is worth noting that both the Commission and EU member states have taken steps in recent years to improve coordination between their respective aid programs. Such coordination involves consultations on country strategy papers and the sharing of sector guidelines, as well as joint meetings between member state and Commission staff to exchange views on best practice, common concerns and new approaches to development cooperation.

<sup>52</sup> European Commission, *Annual Report on the European Community’s Development Policy and the Implementation of External Assistance in 2002*. European Commission, Brussels: 2003. The AI-Invest program provides help to SMEs that operate internationally, by encouraging European firms to invest in Latin American enterprises seeking such co-operation. The Alfa program (*América Latina - Formación Académica*) focuses on cooperation in higher education between the two regions. Another higher education program, Alban (EU Program of High Level Scholarships for Latin America) was launched in May 2002 and offers attachments at EU institutions for Latin American professionals and future decision-makers.

AL and @lis programs.<sup>53</sup> **Institutional support**, as well as **support for state reform**, feature prominently in most of the EC's programming documents for individual countries and subregions in Latin America.

**Support for regional economic integration, trade and investment** distinguishes between horizontal programs, such as AI-Invest and @lis; support for the EU-Mexico free trade area and scientific and technological cooperation; disbursements for regional integration in Central America (a common customs system, policy harmonization); regional and national programming for the Andean Community, with an integration and trade component accounting for 5-33 percent of available funds; and all subregional and national programming for Mercosur, where this issue-area absorbs more than 50 percent of the resources available.

The statute governing EU cooperation with Latin America is presently in a state of flux. The prevailing Regulation setting out the broad outlines of EU assistance to developing countries in Asia and Latin America (ALA Regulation 443/92 of February 1992) is to be replaced. The Commission submitted a proposal for the new ALA regulation, with a financial framework covering the period 2003-2006, to the European Parliament (EP) and the Council in July 2002. The proposal defines cooperation in very broad terms; the individual programming exercises for separate countries and subregions determine cooperation sectors and activities more precisely. In general terms, the overall objectives of cooperation, as defined in the proposed regulation, are sustainable development, poverty reduction, the integration of beneficiary countries into the world economy, regional integration, strengthening trade and investment relations between recipients and the EU, and institutional capacity-building. The proposal's financial reference amount is €1.27 billion for Latin America (and €2.52 billion for Asia).

During the process of approving this draft Regulation there were suggestion by many members of the EP that it should be split into two, with separate proposals for Latin America and Asia. Additionally, the EP tabled a lengthy series of amendments to the draft and proposed shifting some of the resources from Asia to Latin America. There were reports that the Commission might withdraw the proposal if the EP voted to divide it, which the Parliament did in a vote in November 2003. The Council, like the Commission, is reportedly against such a split. A Council position on the new Regulation is not expected before the second half of this year.

### **EC-IDB Cooperation Initiatives in LAC**

On the occasion of the May 2002 summit in Madrid, the IDB and the European Commission signed a Memorandum of Understanding (MOU) to strengthen their

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<sup>53</sup> Urb-AL aims to establish direct and lasting links between European and Latin American cities. The @LIS program (Alliance for the Information Society) aims to promote the benefits of using information technologies and tries to bridge the so-called digital divide. For details of particular EC economic cooperation programs in LAC, see [http://europa.eu.int/comm/external\\_relations/la/#4](http://europa.eu.int/comm/external_relations/la/#4).

collaboration on development cooperation in LAC. The MOU identifies four priority areas for EC-IDB collaboration:

- consolidation of democracy and human rights, including public sector modernization and strengthening civil society participation;
- social equity and poverty reduction, including support for SMEs;
- regional integration, including institutional support and fostering the involvement of civil participation in such processes; and
- development of information technology and a knowledge society.

Various forms of collaboration are proposed, including: regular consultation and information exchange between the two institutions' senior management and technical staff; collaboration on national and subregional strategy documents for LAC; joint multi-annual programming of operations; the organization of conferences on cooperation-related technical issues; and parallel or joint co-financing of operations.

The MOU has given rise to a number of new EC-IDB initiatives in the past two years. In the area of human rights and democracy, for example, the Bank and the Commission have agreed to support the launch of a Euro-Latin Network of Governance for Development. They will issue a joint publication *Democracy with Inequality* at the Guadalajara Summit, and will hold their second joint conference on Citizen Security in June 2004 in London. In the area of social equity and poverty reduction, the EC and the IDB have supported the creation of a working group on social cohesion geared to drafting LAC country proposals for cooperation initiatives; the latter will also be presented at the Guadalajara Summit. The group has held two meetings since its founding last year.

The two institutions have coordinated a significant number of activities in the area of regional integration. They co-organized a seminar for the Andean Community on methods of consultation with civil society in trade and integration initiatives, which was held in Lima in July 2003.<sup>54</sup> A second seminar on the issue is planned for Mercosur later this year. The EC has also been invited to join the steering committee of the Euro-Latin Study Network on Integration and Trade (ELSNIT), launched by the IDB to promote academic, policy-oriented research on trade and integration in and between both regions. The Steering Committee currently comprises the Center for Research in International Economics (CREI), Barcelona; the Kiel Institute for World Economics; the Robert Schuman Centre for Advanced Studies of the European University Institute in Florence, the *Centre d'Etudes Prospectives et d'Informations Internationales* (CEPII), Paris, and the IDB. The first call for papers was concluded during the network's first meeting in Barcelona in 2003. A second round has just been launched and will be finalized in a meeting at the Robert Schuman Centre in Florence later this year.

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<sup>54</sup> Andrew Crawley (Rapporteur), *Establishing Consultation Mechanisms with Civil Society in Integration and Trade Initiatives: A Dialogue between the Andean Community and the European Union*, IDB Special Office in Europe, March 2004.

Additionally, the Bank and the Commission jointly support the expert group on the EU-Mercosur negotiations, led by the Mercosur Chair (*Chaire Mercosur*) at the Institute of Sciences Po in Paris. This program might be considered a best practice for providing a forum in which expert opinion from civil society on EU-Mercosur trade, cooperation and political relations can be channeled in a constructive way to negotiations on both sides of the table. The two organizations have also collaborated in the preparation of their respective regional programming strategies for Central America (with joint field missions in 2003 and 2004), and have agreed to organize a joint conference on progress achieved so far in creating customs unions in Latin America and the Caribbean.

Since the MOU's entry into force, moreover, there has been increased EC-IDB cooperation on trade-related capacity building (TRCB) in LAC. In December 2003, the Bank and the Commission co-organized a workshop in Brussels to discuss their TRCB experiences to date, identify lessons learned, and examine areas for future collaboration in this important area of development cooperation. A joint TRCB effort for regional integration in the Andean Community is planned for the second half of 2004. There has been significant inter-institutional cooperation on the Caribbean. Information exchange and joint assessments of trade-related assistance for Caricom have been underway since February 2002, when the EC and the IDB held a consultation in Guyana to discuss collaboration on technical assistance for the subregion. That was followed by a trilateral meeting (EC-IDB-Caricom/Cariforum) to discuss Caribbean assistance needs. Following up on these events, the Bank and the EC organized a meeting of all major donors to the Caribbean during the June 2002 meeting of the Caribbean Group for Cooperation on Economic Development (CGCED). That meeting set the stage for efforts to build a stronger international donor network focusing on TRCB.

Finally, in recent years, growing inter-institutional collaboration has been evident in rural development, an area in which both institutions are very active. A joint EC-IDB technical workshop on rural development, to be held in October this year, will discuss the challenges in rural development, and how trade and integration can affect such development, and *vice versa*. Finally, in the area of information and communications technology (ICT), the EC is participating in the Bank's ICT Strategy Revision Process and its discussion series on the knowledge economy.

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**Table 1. EU, LAC, USA and Asia in World Trade, 1994-2003**

<b>Exports (US\$mn)</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003<sup>1/</sup></b>	<b>Avg Annual Growth</b>	
											<b>94-99</b>	<b>99-03</b>
World	3,864,492	4,802,254	5,122,706	5,304,494	5,269,220	5,470,039	6,167,736	5,911,948	6,180,066	7,138,992	7.2%	6.9%
<b>Share in World Exports:</b>												
EU15 <sup>2/</sup> (Extra-EU)	15.3%	15.8%	15.6%	15.5%	15.7%	14.7%	13.9%	15.0%	15.1%	15.2%		
EU25 (Extra-EU)	14.5%	14.8%	14.5%	14.4%	14.4%	13.4%	12.8%	13.8%	13.7%	...		
EU10 <sup>3/</sup>	1.6%	1.7%	1.7%	1.8%	2.1%	2.0%	2.0%	2.3%	2.5%	2.8%		
LAC <sup>4/</sup>	4.6%	4.5%	4.9%	5.2%	5.1%	5.3%	5.6%	5.6%	5.4%	5.1%		
USA	13.3%	12.1%	12.2%	13.0%	12.9%	12.7%	12.7%	12.4%	11.2%	10.1%		
Asia <sup>5/</sup>	18.3%	17.1%	15.7%	16.1%	15.1%	15.5%	16.5%	15.5%	16.2%	19.5%		
<b>Imports</b>												
World	3,897,088	4,844,270	5,186,681	5,394,604	5,361,581	5,621,646	6,372,233	6,118,812	6,354,442	7,348,063	7.6%	6.9%
<b>Share in World Imports:</b>												
EU15 (Extra-EU)	15.2%	15.1%	14.7%	14.7%	15.4%	15.2%	15.2%	15.7%	15.0%	15.4%		
EU25 (Extra-EU)	14.8%	14.6%	14.3%	14.3%	14.8%	14.6%	14.7%	15.1%	14.4%	...		
EU10	1.9%	2.1%	2.3%	2.4%	2.7%	2.5%	2.5%	2.7%	3.0%	3.2%		
LAC	5.0%	4.6%	4.8%	5.6%	6.0%	5.5%	5.6%	5.7%	5.1%	4.5%		
USA	17.7%	15.9%	15.8%	16.6%	17.6%	18.8%	19.7%	19.3%	18.9%	17.7%		
Asia	14.8%	14.4%	13.9%	13.5%	11.7%	12.4%	13.8%	13.3%	13.6%	16.7%		
<b>Total Trade</b>												
World	7,761,580	9,646,524	10,309,387	10,699,098	10,630,801	11,091,686	12,539,969	12,030,760	12,534,508	14,487,055	7.4%	6.9%
<b>Share in World Trade:</b>												
EU15 (Extra-EU)	15.2%	15.4%	15.1%	15.1%	15.6%	14.9%	14.6%	15.4%	15.0%	15.3%		
EU25 (Extra-EU)	14.6%	14.7%	14.4%	14.4%	14.6%	14.0%	13.7%	14.4%	14.1%	...		
EU10	1.7%	1.9%	2.0%	2.1%	2.4%	2.3%	2.2%	2.5%	2.8%	3.0%		
LAC	4.8%	4.6%	4.8%	5.4%	5.6%	5.4%	5.6%	5.7%	5.2%	4.8%		
USA	15.5%	14.0%	14.0%	14.8%	15.3%	15.8%	16.3%	15.9%	15.1%	14.0%		
Asia	16.6%	15.7%	14.8%	14.8%	13.4%	13.9%	15.1%	14.4%	14.8%	18.1%		

1/ IDB/INT estimates using national sources and WTO data.

2/ EU15 includes Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

3/ EU10 includes Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic, Slovenia.

4/ LAC includes Antigua & Barbuda, Argentina, The Bahamas, Barbados, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts & Nevis, St. Lucia, St. Vincent & the Grenadines, Suriname, Trinidad & Tobago, Uruguay and Venezuela.

5/ Asia includes China, Japan, South Korea, Singapore and Taiwan.

Note: "..." signifies data was not available.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 2. LAC Trade with Selected World Regions, 1994-2003**

Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>	Avg Annual Growth	
												94-99	99-03 <sup>2/</sup>
World	Exports	181,161	220,416	248,724	278,257	274,295	293,036	352,160	338,508	338,061	365,577	10.1%	5.7%
	Imports	203,545	228,174	256,941	312,349	326,559	315,812	363,541	354,105	330,472	342,334	9.2%	2.0%
	Total	384,706	448,589	505,665	590,607	600,854	608,848	715,702	692,613	668,532	707,910	9.6%	3.8%
EU15	Exports	30,911	35,462	35,661	37,966	38,095	37,936	39,870	38,945	39,552	44,676	4.2%	4.2%
	Imports	36,173	40,846	43,163	51,694	54,975	50,313	49,019	50,712	46,511	47,888	6.8%	-1.2%
	Total	67,084	76,308	78,823	89,660	93,071	88,249	88,889	89,658	86,063	92,564	5.6%	1.2%
EU10	Exports	499	597	798	834	771	695	742	660	549	...	6.8%	-7.6%
	Imports	485	589	677	825	904	813	1,063	1,407	1,137	...	10.9%	11.9%
	Total	984	1,186	1,475	1,659	1,675	1,508	1,805	2,068	1,687	...	8.9%	3.8%
US+Canada	Exports	85,560	103,290	124,768	143,755	148,074	174,932	215,755	201,803	204,204	213,756	15.4%	5.1%
	Imports	93,090	101,685	117,918	149,878	161,292	165,900	191,169	174,629	159,145	156,073	12.3%	-1.5%
	Total	178,650	204,976	242,686	293,632	309,366	340,832	406,924	376,431	363,348	369,829	13.8%	2.1%
Asia	Exports	12,610	16,130	16,747	17,468	13,010	13,283	15,712	15,742	17,230	...	1.0%	9.1%
	Imports	20,338	22,730	23,882	29,925	31,956	29,435	35,621	40,697	43,074	...	7.7%	13.5%
	Total	32,949	38,860	40,629	47,393	44,966	42,719	51,333	56,440	60,304	...	5.3%	12.2%

Share of LAC Trade:		1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>
LAC	Exports	19.2%	19.4%	18.8%	19.9%	19.7%	15.5%	15.9%	16.5%	14.6%	...
	Imports	15.1%	18.0%	18.2%	17.7%	16.9%	15.4%	16.3%	16.4%	15.5%	...
	Total	17.0%	18.7%	18.5%	18.7%	18.2%	15.4%	16.1%	16.4%	15.1%	...
Extra-LAC	Exports	80.8%	80.6%	81.2%	80.1%	80.3%	84.5%	84.1%	83.5%	85.4%	...
	Imports	84.9%	82.0%	81.8%	82.3%	83.1%	84.6%	83.7%	83.6%	84.5%	...
	Total	83.0%	81.3%	81.5%	81.3%	81.8%	84.6%	83.9%	83.6%	84.9%	...
EU15	Exports	17.1%	16.1%	14.3%	13.6%	13.9%	12.9%	11.3%	11.5%	11.7%	12.2%
	Imports	17.8%	17.9%	16.8%	16.5%	16.8%	15.9%	13.5%	14.3%	14.1%	14.0%
	Total	17.4%	17.0%	15.6%	15.2%	15.5%	14.5%	12.4%	12.9%	12.9%	13.1%
EU10	Exports	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	...
	Imports	0.2%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.3%	...
	Total	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.3%	0.3%	0.3%	...
US + Canada	Exports	47.2%	46.9%	50.2%	51.7%	54.0%	59.7%	61.3%	59.6%	60.4%	58.5%
	Imports	45.7%	44.6%	45.9%	48.0%	49.4%	52.5%	52.6%	49.3%	48.2%	45.6%
	Total	46.4%	45.7%	48.0%	49.7%	51.5%	56.0%	56.9%	54.3%	54.4%	52.2%
Asia	Exports	7.0%	7.3%	6.7%	6.3%	4.7%	4.5%	4.5%	4.7%	5.1%	...
	Imports	10.0%	10.0%	9.3%	9.6%	9.8%	9.3%	9.8%	11.5%	13.0%	...
	Total	8.6%	8.7%	8.0%	8.0%	7.5%	7.0%	7.2%	8.1%	9.0%	...

1/ IDB/INT estimates using LAC national sources; US+Canada estimates are based on their trade with Mexico, Mercosur, Andean Community, Chile and Costa Rica.

2/ Average annual growth rate for EU10 and Asia is for 1999-2002.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.



**Table 3. European Union Trade with Selected World Regions, 1994-2002/03**

**Table 3a. EU 15 Trade**

Partner	US\$mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>	Avg Annual Growth	
												94-99	99-03
World	Exports	1,512,165	2,015,859	2,078,064	2,092,616	2,148,088	2,140,320	2,196,693	2,228,071	2,340,664	2,765,805	7.2%	6.6%
	Imports	1,465,851	1,917,668	1,971,663	1,974,696	2,068,197	2,109,569	2,219,856	2,197,374	2,254,811	2,691,323	7.6%	6.3%
	Total Trade	2,978,017	3,933,527	4,049,727	4,067,313	4,216,285	4,249,889	4,416,550	4,425,445	4,595,475	5,457,128	7.4%	6.5%
EU10	Exports	48,130	66,551	76,732	84,206	94,026	90,955	97,391	101,813	113,129	140,535	13.6%	11.5%
	Imports	38,767	53,842	55,673	59,039	70,050	74,244	82,276	90,143	98,897	128,648	13.9%	14.7%
	Total Trade	86,897	120,393	132,405	143,245	164,076	165,199	179,666	191,956	212,026	269,183	13.7%	13.0%
EU15	Exports	921,717	1,256,916	1,279,223	1,270,609	1,318,854	1,338,275	1,336,937	1,338,810	1,407,702	1,670,805	7.7%	5.7%
	Imports	874,616	1,187,508	1,209,510	1,181,739	1,242,460	1,256,470	1,252,581	1,237,651	1,302,837	1,556,043	7.5%	5.5%
	Total Trade	1,796,333	2,444,424	2,488,733	2,452,349	2,561,314	2,594,744	2,589,519	2,576,462	2,710,539	3,226,848	7.6%	5.6%
EU25	Exports	969,847	1,323,467	1,355,955	1,354,815	1,412,880	1,429,230	1,434,328	1,440,624	1,520,830	1,811,340	8.1%	6.1%
	Imports	913,383	1,241,350	1,265,183	1,240,778	1,312,510	1,330,713	1,334,857	1,327,794	1,401,734	1,684,692	7.8%	6.1%
	Total Trade	1,883,230	2,564,817	2,621,138	2,595,593	2,725,390	2,759,943	2,769,185	2,768,418	2,922,565	3,496,031	7.9%	6.1%
LAC	Exports	34,966	43,154	45,508	50,964	55,225	48,691	49,508	50,290	47,244	49,942	6.8%	0.6%
	Imports	33,548	40,969	40,228	41,676	41,750	41,015	44,973	45,156	46,060	53,725	4.1%	7.0%
	Total Trade	68,514	84,123	85,736	92,640	96,975	89,707	94,481	95,446	93,305	103,668	5.5%	3.7%
Asia	Exports	80,967	104,900	108,535	102,725	87,230	91,686	103,372	102,929	109,494	132,307	2.5%	9.6%
	Imports	127,546	153,523	154,592	163,306	178,014	190,234	211,840	194,738	198,894	250,547	8.3%	7.1%
	Total Trade	208,512	258,423	263,127	266,031	265,244	281,920	315,212	297,667	308,389	382,854	6.2%	8.0%

Memo: <sup>2/</sup>	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
<b>Share of LAC in EU15 trade:</b>										
Exports	5.9%	5.7%	5.7%	6.2%	6.7%	6.1%	5.8%	5.7%	5.1%	4.6%
Imports	5.7%	5.6%	5.3%	5.3%	5.1%	4.8%	4.6%	4.7%	4.8%	4.7%
Total Trade	5.8%	5.6%	5.5%	5.7%	5.9%	5.4%	5.2%	5.2%	5.0%	4.6%
<b>Share of Asia in EU15 trade:</b>										
Exports	13.7%	13.8%	13.6%	12.5%	10.5%	11.4%	12.0%	11.6%	11.7%	12.1%
Imports	21.6%	21.0%	20.3%	20.6%	21.6%	22.3%	21.9%	20.3%	20.9%	22.1%
Total Trade	17.6%	17.4%	16.9%	16.5%	16.0%	17.0%	17.3%	16.1%	16.4%	17.2%

1/ IDB/INT estimates using Eurostat.

2/ EU signifies extra-EU trade (Applies to Tables 3-4 and 7-15).

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 3b. EU 10 Trade**

Partner	US\$m	1994	1995	1996	1997	1998	1999	2000	2001	2002	Avg Annual Growth	
											94-99	99-02
World	Exports	61,031	83,301	86,595	96,913	110,934	108,554	122,275	135,355	156,620	12.2%	13.0%
	Imports	74,138	102,700	118,264	130,821	146,540	142,283	156,989	167,056	190,199	13.9%	10.2%
	Total Trade	135,170	186,001	204,859	227,734	257,475	250,837	279,264	302,411	346,820	13.2%	11.4%
EU10	Exports	9,369	12,629	13,542	14,001	15,149	13,885	15,591	17,907	20,893	8.2%	14.6%
	Imports	8,149	11,513	12,687	13,231	13,963	13,479	14,940	16,949	20,044	10.6%	14.1%
	Total Trade	17,517	24,143	26,229	27,232	29,113	27,364	30,531	34,856	40,937	9.3%	14.4%
EU15	Exports	35,539	50,466	50,476	58,091	71,973	74,442	82,382	91,014	105,802	15.9%	12.4%
	Imports	42,969	61,320	69,048	78,690	92,112	89,174	92,439	98,403	109,301	15.7%	7.0%
	Total Trade	78,508	111,786	119,524	136,781	164,085	163,616	174,821	189,417	215,103	15.8%	9.5%
EU25	Exports	44,907	63,095	64,018	72,092	87,123	88,326	97,974	108,920	126,695	14.5%	12.8%
	Imports	51,118	72,834	81,735	91,921	106,075	102,653	107,378	115,353	129,345	15.0%	8.0%
	Total Trade	96,025	135,929	145,753	164,013	193,198	190,980	205,352	224,273	256,040	14.7%	10.3%
LAC	Exports	586	641	582	595	740	740	821	918	877	4.8%	5.8%
	Imports	939	1,203	1,532	1,601	1,612	1,440	1,595	1,918	2,192	8.9%	15.0%
	Total Trade	1,525	1,843	2,114	2,196	2,352	2,180	2,416	2,836	3,070	7.4%	12.1%
Asia	Exports	983	1,244	1,390	1,319	1,279	1,677	2,036	1,817	1,940	11.3%	5.0%
	Imports	3,517	4,925	6,476	8,031	10,218	10,626	12,392	13,187	16,910	24.7%	16.7%
	Total Trade	4,500	6,170	7,866	9,350	11,497	12,303	14,428	15,004	18,850	22.3%	15.3%

Memo:	1994	1995	1996	1997	1998	1999	2000	2001	2002
<b>Share of LAC in EU10 trade:</b>									
Exports	1.1%	0.9%	0.8%	0.7%	0.8%	0.8%	0.8%	0.8%	0.6%
Imports	1.4%	1.3%	1.5%	1.4%	1.2%	1.1%	1.1%	1.3%	1.3%
Total Trade	1.3%	1.1%	1.2%	1.1%	1.0%	1.0%	1.0%	1.1%	1.0%
<b>Share of Asia in EU10 trade:</b>									
Exports	1.9%	1.8%	1.9%	1.6%	1.3%	1.8%	1.9%	1.5%	1.4%
Imports	5.3%	5.4%	6.1%	6.8%	7.7%	8.3%	8.7%	8.8%	9.9%
Total Trade	3.8%	3.8%	4.4%	4.7%	5.0%	5.5%	5.8%	5.6%	6.2%

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 3c. EU 25 Trade**

Partner	US\$mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	Avg Annual Growth	
											94-99	99-02
World	Exports	1,573,197	2,099,161	2,164,658	2,189,529	2,259,022	2,248,874	2,318,968	2,363,426	2,497,284	7.4%	3.6%
	Imports	1,539,989	2,020,368	2,089,928	2,105,517	2,214,737	2,251,852	2,376,846	2,364,430	2,445,011	7.9%	2.8%
	Total Trade	3,113,186	4,119,528	4,254,586	4,295,047	4,473,760	4,500,725	4,695,814	4,727,856	4,942,295	7.7%	3.2%
EU10	Exports	57,498	79,180	90,274	98,208	109,176	104,840	112,982	119,720	134,022	12.8%	8.5%
	Imports	46,916	65,355	68,360	72,269	84,013	87,723	97,215	107,092	118,941	13.3%	10.7%
	Total Trade	104,414	144,535	158,634	170,477	193,189	192,563	210,197	226,812	252,963	13.0%	9.5%
EU15	Exports	957,256	1,307,382	1,329,699	1,328,700	1,390,827	1,412,716	1,419,320	1,429,824	1,513,504	8.1%	2.3%
	Imports	917,586	1,248,828	1,278,558	1,260,430	1,334,571	1,345,644	1,345,020	1,336,054	1,412,138	8.0%	1.6%
	Total Trade	1,874,841	2,556,210	2,608,256	2,589,130	2,725,398	2,758,360	2,764,340	2,765,879	2,925,642	8.0%	2.0%
EU25	Exports	1,014,754	1,386,562	1,419,973	1,426,908	1,500,003	1,517,556	1,532,302	1,549,544	1,647,525	8.4%	2.8%
	Imports	964,501	1,314,184	1,346,918	1,332,699	1,418,585	1,433,366	1,442,236	1,443,147	1,531,079	8.2%	2.2%
	Total Trade	1,979,255	2,700,746	2,766,891	2,759,606	2,918,587	2,950,923	2,974,537	2,992,691	3,178,605	8.3%	2.5%
LAC	Exports	35,552	43,795	46,090	51,559	55,965	49,431	50,329	51,208	48,122	6.8%	-0.9%
	Imports	34,487	42,171	41,760	43,277	43,363	42,456	46,568	47,075	48,253	4.2%	4.4%
	Total Trade	70,039	85,966	87,850	94,836	99,328	91,887	96,897	98,283	96,374	5.6%	1.6%
Asia	Exports	81,950	106,144	109,925	104,044	88,510	93,363	105,408	104,746	111,434	2.6%	6.1%
	Imports	131,063	158,448	161,069	171,337	188,232	200,860	224,232	207,925	215,804	8.9%	2.4%
	Total Trade	213,012	264,592	270,994	275,381	276,741	294,223	329,640	312,671	327,238	6.7%	3.6%

Memo:	1994	1995	1996	1997	1998	1999	2000	2001	2002
<b>Share of LAC in EU25 trade:</b>									
Exports	6.4%	6.1%	6.2%	6.8%	7.4%	6.8%	6.4%	6.3%	5.7%
Imports	6.0%	6.0%	5.6%	5.6%	5.4%	5.2%	5.0%	5.1%	5.3%
Total Trade	6.2%	6.1%	5.9%	6.2%	6.4%	5.9%	5.6%	5.7%	5.5%
<b>Share of Asia in EU25 trade:</b>									
Exports	14.7%	14.9%	14.8%	13.6%	11.7%	12.8%	13.4%	12.9%	13.1%
Imports	22.8%	22.4%	21.7%	22.2%	23.6%	24.5%	24.0%	22.6%	23.6%
Total Trade	18.8%	18.6%	18.2%	17.9%	17.8%	19.0%	19.2%	18.0%	18.6%

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 4. LAC Trade without Mexico, 1994-2003**

												Avg Annual Growth	
Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>	94-99	99-03 <sup>2/</sup>
World	Exports	120,331	140,875	153,063	168,210	156,969	156,773	185,968	180,084	177,391	195,887	5.4%	5.7%
	Imports	124,141	155,721	167,586	200,366	201,235	173,856	189,129	185,728	161,821	161,900	7.0%	-1.8%
	Total Trade	244,472	296,596	320,648	368,576	358,205	330,629	375,098	365,812	339,212	357,788	6.2%	2.0%
EU15	Exports	28,105	32,110	32,191	34,067	34,202	32,739	34,336	33,610	34,335	38,790	3.1%	4.3%
	Imports	27,115	34,115	35,421	41,266	43,280	37,574	34,272	34,567	30,067	29,017	6.7%	-6.3%
	Total Trade	55,220	66,226	67,612	75,332	77,482	70,313	68,608	68,177	64,403	67,807	5.0%	-0.9%
EU10	Exports	494	578	735	746	634	535	591	598	505	...	1.6%	-1.9%
	Imports	427	509	577	630	698	599	834	959	716	...	7.0%	6.1%
	Total Trade	921	1,088	1,313	1,376	1,331	1,134	1,424	1,557	1,221	...	4.2%	2.5%
US+Canada	Exports	32,348	34,966	42,764	48,433	44,431	52,088	65,268	58,269	58,243	59,869	10.0%	3.5%
	Imports	36,679	46,338	48,559	64,643	65,730	57,576	59,364	56,335	47,764	41,243	9.4%	-8.0%
	Total Trade	69,027	81,304	91,323	113,076	110,160	109,664	124,632	114,603	106,007	101,113	9.7%	-2.0%
Share in LAC-Mex Trade:		1994	1995	1996	1997	1998	1999	2000	2001	2002	2003		
EU15	Exports	23.4%	22.8%	21.0%	20.3%	21.8%	20.9%	18.5%	18.7%	19.4%	19.8%		
	Imports	21.8%	21.9%	21.1%	20.6%	21.5%	21.6%	18.1%	18.6%	18.6%	17.9%		
	Total Trade	22.6%	22.3%	21.1%	20.4%	21.6%	21.3%	18.3%	18.6%	19.0%	19.0%		
EU10	Exports	0.4%	0.4%	0.5%	0.4%	0.4%	0.3%	0.3%	0.3%	0.3%	...		
	Imports	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.5%	0.4%	...		
	Total Trade	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%	...		
US+Canada	Exports	26.9%	24.8%	27.9%	28.8%	28.3%	33.2%	35.1%	32.4%	32.8%	30.6%		
	Imports	29.5%	29.8%	29.0%	32.3%	32.7%	33.1%	31.4%	30.3%	29.5%	25.5%		
	Total Trade	28.2%	27.4%	28.5%	30.7%	30.8%	33.2%	33.2%	31.3%	31.3%	28.3%		
Memo:		1994	1995	1996	1997	1998	1999	2000	2001	2002			
Share of LAC-Mex Trade in EU15 Trade:													
	Exports	4.8%	4.2%	4.0%	4.1%	4.1%	4.1%	4.0%	3.8%	3.7%			
	Imports	4.6%	4.7%	4.6%	5.2%	5.2%	4.4%	3.5%	3.6%	3.2%			
	Total Trade	4.7%	4.4%	4.3%	4.7%	4.7%	4.2%	3.8%	3.7%	3.4%			

1/ IDB/INT estimates using national sources.

2/ Average annual growth rate for EU10 is for 1999-2002.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 5. Share of LAC Countries and Subregions in Total LAC Trade (Exports and Imports) with EU 15, 1994-2003**

<b>Share</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003<sup>1/</sup></b>
Andean Community	18.3%	18.1%	17.4%	16.1%	15.6%	14.6%	13.8%	14.5%	14.6%	12.8%
Bolivia	0.7%	0.8%	0.6%	0.7%	0.7%	0.6%	0.5%	0.3%	0.3%	0.3%
Colombia	7.4%	6.7%	6.5%	6.1%	5.8%	4.4%	4.2%	4.4%	4.0%	4.3%
Ecuador	2.0%	1.9%	2.0%	2.0%	1.8%	1.4%	1.1%	1.5%	2.0%	2.0%
Peru	3.5%	4.0%	3.8%	3.3%	2.8%	2.9%	2.8%	3.1%	3.4%	3.5%
Venezuela	4.7%	4.8%	4.5%	4.1%	4.5%	5.2%	5.1%	5.2%	5.0%	2.7%
Mercosur	50.4%	52.4%	51.9%	51.2%	51.2%	48.9%	46.2%	45.4%	43.0%	44.4%
Argentina	15.5%	13.8%	14.6%	13.7%	14.5%	13.8%	11.4%	10.3%	8.4%	9.3%
Brazil	32.7%	36.6%	35.2%	35.3%	34.7%	33.3%	33.2%	33.8%	33.5%	33.9%
Paraguay	0.7%	0.7%	0.7%	0.8%	0.6%	0.6%	0.4%	0.3%	0.3%	0.3%
Uruguay	1.4%	1.4%	1.3%	1.4%	1.3%	1.2%	1.1%	1.1%	0.9%	0.8%
CACM	3.7%	4.1%	4.0%	3.7%	3.9%	4.1%	4.0%	3.4%	3.9%	4.0%
CARICOM	1.5%	1.7%	2.5%	2.8%	2.4%	2.7%	3.1%	2.2%	2.9%	2.9%
Mexico	17.7%	13.2%	14.2%	16.0%	16.7%	20.3%	22.8%	24.0%	25.2%	25.3%
Chile	7.5%	9.7%	9.2%	9.0%	8.6%	7.8%	8.3%	8.6%	8.4%	8.9%
<b>Memo:</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
CACM + Panama	4.3%	4.6%	4.5%	4.1%	4.3%	4.6%	4.5%	3.9%	4.4%	4.3%
CARICOM + DR	1.8%	2.0%	2.8%	3.6%	3.4%	3.8%	4.4%	3.6%	4.5%	4.3%

1/ IDB/INT estimates using national sources and WTO data.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 6. LAC Trade with the EU 15, by Country, 1999-2003**

	US\$ mn	Exports					Imports					Trade Balance				
		1999	2000	2001	2002	2003	1999	2000	2001	2002	2003	1999	2000	2001	2002	2003
Mercosur	Argentina	4,734	4,691	4,594	5,160	5,921	7,414	5,470	4,599	2,029	2,711	-2,680	-779	-5	3,132	3,210
	Brazil	13,763	14,844	14,880	15,128	18,119	15,588	14,705	15,406	13,680	13,214	-1,825	139	-525	1,448	4,905
	Paraguay	281	118	110	83	...	267	261	196	151	...	13	-142	-87	-68	...
	Uruguay	439	372	386	441	448	626	635	556	345	284	-187	-263	-171	97	163
Andean	Bolivia	289	252	140	97	...	230	215	161	148	...	59	37	-20	-51	...
	Colombia	1,965	1,804	1,722	1,631	1,867	1,942	1,918	2,201	1,821	2,148	22	-114	-479	-189	-281
	Ecuador	818	595	659	795	1,038	427	411	672	890	812	391	184	-14	-95	225
	Peru	1,509	1,468	1,801	1,930	2,218	1,070	1,013	1,010	958	1,065	439	455	791	973	1,153
	Venezuela	1,130	1,773	1,881	1,915	1,275	3,499	2,781	2,796	2,356	1,232	-2,369	-1,008	-916	-441	43
CACM	Costa Rica	1,406	1,185	834	875	...	560	654	656	767	...	846	531	178	109	...
	El Salvador	166	152	80	78	...	248	336	336	308	...	-82	-184	-256	-230	...
	Guatemala	290	290	151	119	...	408	408	476	651	...	-118	-118	-325	-533	...
	Honduras	132	174	240	237	...	192	126	105	152	...	-60	48	135	85	...
	Nicaragua	117	128	84	64	...	85	92	106	127	...	32	37	-22	-63	...
CARICOM	Bahamas, The	63	60	67	...	...	68	44	40	...	...	-4	16	27	...	...
	Barbados	44	44	41	38	...	175	178	178	173	...	-131	-133	-137	-136	...
	Belize	3	69	45	52	...	21	51	42	31	...	-18	19	4	21	...
	Dominica	19	17	12	12	...	19	21	21	16	...	0	-4	-8	-4	...
	Grenada	15	24	21	14	...	25	34	25	27	...	-9	-10	-4	-13	...
	Guyana	169	140	120	112	...	61	68	71	75	...	108	72	49	37	...
	Jamaica	371	396	...	337	...	232	266	...	411	...	139	130	...	-75	...
	St. Kitts & Nevis	7	7	7	...	...	13	17	24	...	...	-6	-10	-17	...	...
	St. Lucia	34	23	22	25	...	59	62	44	53	...	-25	-39	-22	-29	...
	St. Vin. & Grens.	21	23	18	16	...	46	25	40	27	...	-25	-2	-22	-12	...
	Trin. & Tob.	305	507	441	433	...	350	370	704	609	...	-45	137	-264	-175	...
Countries	Chile	4,092	4,510	4,680	4,239	4,802	2,828	2,840	3,042	2,979	3,397	1,264	1,670	1,638	1,259	1,406
	Dominican Rep.	286	343	411	342	...	617	824	819	1,072	...	-332	-481	-408	-730	...
	Mexico	5,197	5,534	5,335	5,216	5,591	12,739	14,747	16,146	16,443	17,863	-7,542	-9,214	-10,810	-11,227	-12,272
	Panama	158	167	164	164	...	313	296	243	213	...	-155	-129	-79	-49	...

Note: "..." signifies no data available; Antigua & Barbuda, Haiti and Suriname not included due to lack of reliable data.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE and national sources.

**Table 7. Mercosur Trade, 1994-2003**

Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>	Avg Annual Growth	
												94-99	99-03 <sup>2/</sup>
World	Exports	62,128	70,493	74,997	83,287	81,337	74,322	84,863	87,880	88,883	105,948	3.6%	9.3%
	Imports	62,223	79,860	86,923	102,543	98,875	82,518	88,442	84,074	62,361	68,742	5.8%	-4.5%
	Total Trade	124,351	150,353	161,920	185,830	180,212	156,839	173,304	171,954	151,244	174,689	4.8%	2.7%
EU15	Exports	16,757	18,012	18,107	19,393	20,144	19,217	20,025	19,969	20,812	24,595	2.8%	6.4%
	Imports	17,027	21,950	22,766	26,521	27,499	23,896	21,071	20,757	16,204	16,414	7.0%	-9.0%
	Total Trade	33,785	39,962	40,872	45,913	47,643	43,113	41,096	40,726	37,016	41,009	5.0%	-1.2%
EU10	Exports	396	384	577	584	503	405	497	467	418	...	0.5%	1.0%
	Imports	257	338	401	441	496	419	626	722	448	...	10.3%	2.3%
	Total Trade	653	722	978	1,025	999	824	1,123	1,189	866	...	4.8%	1.7%
US+Canada	Exports	11,485	11,332	12,093	12,580	13,138	14,530	17,840	18,331	19,674	21,482	4.8%	10.3%
	Imports	14,753	19,165	19,829	24,196	23,170	19,451	20,200	19,018	13,827	13,685	5.7%	-8.4%
	Total Trade	26,238	30,498	31,922	36,776	36,309	33,981	38,040	37,348	33,501	35,166	5.3%	0.9%

Share in Mercosur Trade:		1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
EU15	Exports	27.0%	25.6%	24.1%	23.3%	24.8%	25.9%	23.6%	22.7%	23.4%	23.2%
	Imports	27.4%	27.5%	26.2%	25.9%	27.8%	29.0%	23.8%	24.7%	26.0%	23.9%
	Total Trade	27.2%	26.6%	25.2%	24.7%	26.4%	27.5%	23.7%	23.7%	24.5%	23.5%
EU10	Exports	0.6%	0.5%	0.8%	0.7%	0.6%	0.5%	0.6%	0.5%	0.5%	...
	Imports	0.4%	0.4%	0.5%	0.4%	0.5%	0.5%	0.7%	0.9%	0.7%	...
	Total Trade	0.5%	0.5%	0.6%	0.6%	0.6%	0.5%	0.6%	0.7%	0.6%	...
US+Canada	Exports	18.5%	16.1%	16.1%	15.1%	16.2%	19.6%	21.0%	20.9%	22.1%	20.3%
	Imports	23.7%	24.0%	22.8%	23.6%	23.4%	23.6%	22.8%	22.6%	22.2%	19.9%
	Total Trade	21.1%	20.3%	19.7%	19.8%	20.1%	21.7%	21.9%	21.7%	22.2%	20.1%

Memo:	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>
<b>Share of Mercosur in EU15 Trade:</b>										
Exports	2.6%	2.9%	2.9%	3.2%	3.2%	2.7%	2.4%	2.3%	1.8%	1.5%
Imports	3.0%	2.7%	2.6%	2.5%	2.5%	2.4%	2.2%	2.3%	2.4%	2.5%
Total Trade	2.8%	2.8%	2.7%	2.8%	2.9%	2.6%	2.3%	2.3%	2.1%	2.0%

1/ IDB/INT estimates using national sources; Memo 2003 estimates using Eurostat.

2/ Average annual growth rate for EU10 is for 1999-2002.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 8. Mexico Trade, 1994-2003**

Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>	Avg Annual Growth	
												94-99	99-03 <sup>2/</sup>
World	Exports	60,830	79,541	95,661	110,047	117,325	136,263	166,192	158,424	160,670	164,765	17.5%	4.9%
	Imports	79,404	72,453	89,355	111,983	125,324	141,956	174,412	168,377	168,651	170,929	12.3%	4.8%
	Total Trade	140,234	151,994	185,016	222,030	242,649	278,218	340,604	326,800	329,320	335,695	14.7%	4.8%
EU15	Exports	2,806	3,352	3,470	3,899	3,894	5,197	5,534	5,335	5,216	5,591	13.1%	1.8%
	Imports	9,058	6,731	7,742	10,428	11,695	12,739	14,747	16,146	16,443	17,863	7.1%	8.8%
	Total Trade	11,864	10,083	11,212	14,327	15,589	17,936	20,281	21,481	21,660	23,455	8.6%	6.9%
EU10	Exports	6	19	63	88	137	160	151	62	45	...	95.9%	-34.7%
	Imports	58	80	100	195	207	214	229	449	421	...	29.8%	25.4%
	Total Trade	64	98	163	283	344	374	381	511	466	...	42.5%	7.6%
US+Canada	Exports	53,212	68,325	82,004	95,322	103,643	122,844	150,487	143,534	145,960	149,743	18.2%	5.1%
	Imports	56,411	55,347	69,359	85,234	95,563	108,324	131,805	118,294	111,381	110,147	13.9%	0.4%
	Total Trade	109,623	123,672	151,363	180,556	199,206	231,168	282,292	261,828	257,341	259,890	16.1%	3.0%
<b>Share in Mexico Trade:</b>		<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>		
EU15	Exports	4.6%	4.2%	3.6%	3.5%	3.3%	3.8%	3.3%	3.4%	3.2%	3.4%		
	Imports	11.4%	9.3%	8.7%	9.3%	9.3%	9.0%	8.5%	9.6%	9.7%	10.5%		
	Total Trade	8.5%	6.6%	6.1%	6.5%	6.4%	6.4%	6.0%	6.6%	6.6%	7.0%		
EU10	Exports	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.0%	...		
	Imports	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.1%	0.3%	0.2%	...		
	Total Trade	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	...		
US+Canada	Exports	87.5%	85.9%	85.7%	86.6%	88.3%	90.2%	90.6%	90.6%	90.8%	90.9%		
	Imports	71.0%	76.4%	77.6%	76.1%	76.3%	76.3%	75.6%	70.3%	66.0%	64.4%		
	Total Trade	78.2%	81.4%	81.8%	81.3%	82.1%	83.1%	82.9%	80.1%	78.1%	77.4%		
<b>Memo:</b>		<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003<sup>1/</sup></b>		
<b>Share of Mexico in EU15 Trade:</b>													
	Exports	1.3%	0.8%	0.8%	1.0%	1.2%	1.4%	1.4%	1.5%	1.5%	1.4%		
	Imports	0.5%	0.6%	0.5%	0.5%	0.5%	0.6%	0.6%	0.7%	0.6%	0.6%		
	Total Trade	0.9%	0.7%	0.7%	0.8%	0.9%	1.0%	1.0%	1.1%	1.1%	1.0%		

1/ IDB/INT estimates using national sources; Memo 2003 estimates using Eurostat.

2/ Average annual growth rate for EU10 is for 1999-2002.

Note: Mexico 1994 import data using national sources.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.



**Table 9. Andean Community Trade, 1994-2003**

Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>	Avg Annual Growth	
												94-99	99-03 <sup>2/</sup>
World	Exports	34,544	40,276	45,532	47,685	39,073	43,478	57,251	50,432	49,094	51,681	4.7%	4.4%
	Imports	30,416	37,850	35,906	43,516	45,073	35,889	39,051	43,642	40,057	39,519	3.4%	2.4%
	Total Trade	64,960	78,127	81,438	91,200	84,147	79,367	96,302	94,074	89,151	91,200	4.1%	3.5%
EU15	Exports	6,481	7,050	7,109	6,961	6,325	5,711	5,892	6,203	6,369	6,505	-2.5%	3.3%
	Imports	5,820	6,778	6,636	7,501	8,226	7,168	6,337	6,840	6,172	5,384	4.3%	-6.9%
	Total Trade	12,301	13,828	13,744	14,462	14,551	12,880	12,229	13,043	12,541	11,889	0.9%	-2.0%
EU10	Exports	88	108	106	130	88	84	63	87	53	...	-1.0%	-14.5%
	Imports	98	122	98	117	112	90	118	134	141	...	-1.7%	16.1%
	Total Trade	187	231	205	247	200	174	181	221	194	...	-1.4%	3.6%
US+Canada	Exports	14,972	16,939	22,080	22,085	17,363	21,793	29,919	24,091	23,242	26,471	7.8%	5.0%
	Imports	11,191	14,068	13,668	16,747	16,618	13,301	13,433	14,369	11,898	10,333	3.5%	-6.1%
	Total Trade	26,163	31,007	35,748	38,832	33,981	35,094	43,353	38,459	35,140	36,805	6.0%	1.2%

Share in Andean Community Trade:		1995	1996	1997	1998	1999	2000	2001	2002	2003
EU15	Exports	18.8%	17.5%	15.6%	14.6%	16.2%	13.1%	10.3%	12.3%	13.0%
	Imports	19.1%	17.9%	18.5%	17.2%	18.3%	20.0%	16.2%	15.7%	15.4%
	Total Trade	18.9%	17.7%	16.9%	15.9%	17.3%	16.2%	12.7%	13.9%	14.1%
EU10	Exports	0.3%	0.3%	0.2%	0.3%	0.2%	0.2%	0.1%	0.2%	0.1%
	Imports	0.3%	0.3%	0.3%	0.3%	0.2%	0.3%	0.3%	0.3%	0.4%
	Total Trade	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%
US+Canada	Exports	43.3%	42.1%	48.5%	46.3%	44.4%	50.1%	52.3%	47.8%	47.3%
	Imports	36.8%	37.2%	38.1%	38.5%	36.9%	37.1%	34.4%	32.9%	29.7%
	Total Trade	40.3%	39.7%	43.9%	42.6%	40.4%	44.2%	45.0%	40.9%	39.4%

Memo:	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>
<b>Share of Andean Community in EU15 Trade:</b>										
Exports	0.9%	0.9%	0.9%	0.9%	1.0%	0.7%	0.7%	0.8%	0.7%	0.6%
Imports	1.0%	1.0%	1.0%	1.0%	0.9%	0.8%	0.7%	0.7%	0.8%	0.7%
Total Trade	1.0%	1.0%	0.9%	1.0%	0.9%	0.8%	0.7%	0.8%	0.7%	0.6%

1/ IDB/INT estimates using national sources; Memo 2003 estimates using Eurostat.

2/ Average annual growth rate for EU10 is for 1999-2002.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 10. Chile Trade, 1994-2003**

Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>	Avg Annual Growth	
												94-99	99-03 <sup>2/</sup>
World	Exports	11,369	15,901	15,407	16,678	14,842	15,619	18,215	18,745	17,423	19,153	6.6%	5.2%
	Imports	11,149	14,903	16,810	18,111	17,082	13,892	16,620	16,136	15,383	17,634	4.5%	6.1%
	Total Trade	22,518	30,804	32,217	34,789	31,924	29,511	34,834	34,882	32,806	36,786	5.6%	5.7%
EU15	Exports	2,706	4,241	3,732	4,080	4,185	4,092	4,510	4,680	4,239	4,802	8.6%	4.1%
	Imports	2,348	3,156	3,538	3,958	3,850	2,828	2,840	3,042	2,979	3,397	3.8%	4.7%
	Total Trade	5,053	7,397	7,270	8,038	8,035	6,920	7,349	7,723	7,218	8,199	6.5%	4.3%
EU10	Exports	6	68	38	15	18	8	16	30	20	...	8.7%	33.7%
	Imports	40	16	29	21	44	42	41	44	49	...	0.5%	5.7%
	Total Trade	46	84	66	35	62	50	57	74	69	...	1.6%	11.5%
US+Canada	Exports	1,932	2,233	2,515	2,573	2,510	2,987	3,252	3,769	3,746	3,787	9.1%	6.1%
	Imports	2,903	4,108	4,518	4,764	4,516	3,392	3,782	3,399	2,868	2,859	3.2%	-4.2%
	Total Trade	4,834	6,341	7,033	7,338	7,026	6,379	7,033	7,168	6,613	6,646	5.7%	1.0%

Share in Chile Trade:		1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
EU15	Exports	23.8%	26.7%	24.2%	24.5%	28.2%	26.2%	24.8%	25.0%	24.3%	25.1%
	Imports	21.1%	21.2%	21.0%	21.9%	22.5%	20.4%	17.1%	18.9%	19.4%	19.3%
	Total Trade	22.4%	24.0%	22.6%	23.1%	25.2%	23.5%	21.1%	22.1%	22.0%	22.3%
EU10	Exports	0.0%	0.4%	0.2%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	...
	Imports	0.4%	0.1%	0.2%	0.1%	0.3%	0.3%	0.2%	0.3%	0.3%	...
	Total Trade	0.2%	0.3%	0.2%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	...
US+Canada	Exports	17.0%	14.0%	16.3%	15.4%	16.9%	19.1%	17.9%	20.1%	21.5%	19.8%
	Imports	26.0%	27.6%	26.9%	26.3%	26.4%	24.4%	22.8%	21.1%	18.6%	16.2%
	Total Trade	21.5%	20.6%	21.8%	21.1%	22.0%	21.6%	20.2%	20.6%	20.2%	18.1%

Memo:	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003 <sup>1/</sup>
<b>Share of Chile in EU15 Trade:</b>										
Exports	0.4%	0.4%	0.4%	0.5%	0.4%	0.3%	0.4%	0.4%	0.3%	0.3%
Imports	0.5%	0.6%	0.5%	0.5%	0.5%	0.4%	0.5%	0.4%	0.5%	0.5%
Total Trade	0.4%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%

1/ IDB/INT estimates using national sources; Memo 2003 estimates using Eurostat.

2/ Average annual growth rate for EU10 is for 1999-2002.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 11. CACM Trade, 1994-2002**

Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	Avg Annual Growth	
											94-99	99-02
World	Exports	5,510	6,788	7,811	9,703	11,076	11,578	11,233	10,202	10,673	16.0%	-2.7%
	Imports	10,114	11,862	12,294	14,941	18,062	18,066	18,909	20,199	21,711	12.3%	6.3%
	Total Trade	15,624	18,650	20,105	24,645	29,138	29,644	30,142	30,401	32,385	13.7%	3.0%
EU15	Exports	1,324	1,839	1,957	2,007	1,998	2,110	1,928	1,389	1,373	9.8%	-13.4%
	Imports	1,151	1,315	1,223	1,321	1,592	1,493	1,615	1,678	2,004	5.3%	10.3%
	Total Trade	2,475	3,154	3,180	3,328	3,590	3,604	3,544	3,067	3,377	7.8%	-2.1%
EU10	Exports	3	14	14	17	23	31	15	5	7	55.9%	-40.8%
	Imports	27	21	26	33	21	23	20	35	52	-2.5%	30.3%
	Total Trade	30	34	40	49	44	55	35	40	58	12.8%	2.0%
US+Canada	Exports	2,174	2,441	3,085	4,399	4,482	5,293	5,062	4,000	4,397	19.5%	-6.0%
	Imports	4,402	5,333	5,589	6,918	8,661	8,459	8,182	8,316	9,126	14.0%	2.6%
	Total Trade	6,576	7,774	8,674	11,317	13,143	13,752	13,243	12,316	13,523	15.9%	-0.6%

Share in CACM Trade:		1994	1995	1996	1997	1998	1999	2000	2001	2002
EU15	Exports	24.0%	27.1%	25.0%	20.7%	18.0%	18.2%	17.2%	13.6%	12.9%
	Imports	11.4%	11.1%	10.0%	8.8%	8.8%	8.3%	8.5%	8.3%	9.2%
	Total Trade	15.8%	16.9%	15.8%	13.5%	12.3%	12.2%	11.8%	10.1%	10.4%
EU10	Exports	0.1%	0.2%	0.2%	0.2%	0.2%	0.3%	0.1%	0.0%	0.1%
	Imports	0.3%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.2%	0.2%
	Total Trade	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.2%
US+Canada	Exports	39.5%	36.0%	39.5%	45.3%	40.5%	45.7%	45.1%	39.2%	41.2%
	Imports	43.5%	45.0%	45.5%	46.3%	48.0%	46.8%	43.3%	41.2%	42.0%
	Total Trade	42.1%	41.7%	43.1%	45.9%	45.1%	46.4%	43.9%	40.5%	41.8%

Memo:	1994	1995	1996	1997	1998	1999	2000	2001	2002
<b>Share of CACM in EU15 Trade:</b>									
Exports	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Imports	0.3%	0.3%	0.3%	0.3%	0.4%	0.3%	0.3%	0.2%	0.3%
Total Trade	0.3%	0.3%	0.2%	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 12. CACM + Panama Trade, 1994-2002**

Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	Avg Annual Growth	
											94-99	99-02
World	Exports	6,042	7,365	8,380	10,361	11,781	12,285	12,004	11,060	11,472	15.3%	-2.3%
	Imports	12,518	14,373	15,073	17,932	21,459	21,581	22,287	23,185	24,746	11.5%	4.7%
	Total Trade	18,560	21,738	23,453	28,294	33,240	33,866	34,291	34,245	36,218	12.8%	2.3%
EU15	Exports	1,497	2,016	2,087	2,154	2,190	2,268	2,096	1,553	1,537	8.7%	-12.2%
	Imports	1,355	1,518	1,440	1,564	1,854	1,806	1,912	1,921	2,217	5.9%	7.1%
	Total Trade	2,852	3,534	3,527	3,718	4,044	4,074	4,007	3,474	3,754	7.4%	-2.7%
EU10	Exports	3	14	14	17	23	32	15	5	7	56.0%	-40.8%
	Imports	29	24	28	35	25	25	22	38	54	-2.3%	28.8%
	Total Trade	32	38	41	52	48	57	37	43	61	12.2%	2.3%
US+Canada	Exports	2,396	2,706	3,383	4,739	4,799	5,615	5,419	4,412	4,767	18.6%	-5.3%
	Imports	5,374	6,375	6,667	8,061	10,051	9,743	9,339	9,328	10,188	12.6%	1.5%
	Total Trade	7,770	9,081	10,049	12,799	14,850	15,358	14,758	13,740	14,955	14.6%	-0.9%
<b>Share in CACM + Panama Trade:</b>			<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>		
EU15	Exports	24.8%	27.4%	24.9%	20.8%	18.6%	18.5%	17.5%	14.0%	13.4%		
	Imports	10.8%	10.6%	9.6%	8.7%	8.6%	8.4%	8.6%	8.3%	9.0%		
	Total Trade	15.4%	16.3%	15.0%	13.1%	12.2%	12.0%	11.7%	10.1%	10.4%		
EU10	Exports	0.1%	0.2%	0.2%	0.2%	0.2%	0.3%	0.1%	0.0%	0.1%		
	Imports	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.2%	0.2%		
	Total Trade	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%	0.1%	0.1%	0.2%		
US+Canada	Exports	39.7%	36.7%	40.4%	45.7%	40.7%	45.7%	45.1%	39.9%	41.6%		
	Imports	42.9%	44.4%	44.2%	44.9%	46.8%	45.1%	41.9%	40.2%	41.2%		
	Total Trade	41.9%	41.8%	42.8%	45.2%	44.7%	45.3%	43.0%	40.1%	41.3%		
<b>Memo:</b>		<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>		
<b>Share of CACM + Panama in EU15 Trade:</b>												
	Exports	0.3%	0.3%	0.4%	0.3%	0.4%	0.5%	0.4%	0.3%	0.4%		
	Imports	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%		
	Total Trade	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%		

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 13. CARICOM Trade, 1994-2002**

Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	Avg Annual Growth	
											94-99	99-02
World	Exports	2,884	3,400	4,825	5,419	4,955	5,933	7,901	6,635	5,967	15.5%	0.2%
	Imports	2,711	3,384	6,573	10,640	10,394	11,157	12,325	9,047	10,124	32.7%	-3.2%
	Total Trade	5,595	6,784	11,398	16,059	15,349	17,089	20,226	15,682	16,091	25.0%	-2.0%
EU15	Exports	518	616	981	1,158	999	1,165	1,471	794	1,038	17.6%	-3.8%
	Imports	505	650	985	1,308	1,275	1,261	1,291	1,190	1,426	20.1%	4.2%
	Total Trade	1,023	1,265	1,966	2,466	2,274	2,425	2,762	1,984	2,465	18.9%	0.5%
EU10	Exports	0	5	1	0	1	5	0	9	7	111.6%	12.8%
	Imports	5	8	22	17	18	16	17	10	23	25.8%	13.2%
	Total Trade	5	13	23	17	19	21	17	19	31	32.5%	13.1%
US+Canada	Exports	1,211	1,357	2,241	2,440	2,242	2,569	3,791	3,025	2,857	16.2%	3.6%
	Imports	1,356	1,717	3,204	6,077	5,856	5,889	6,268	4,517	4,225	34.1%	-10.5%
	Total Trade	2,567	3,074	5,445	8,517	8,098	8,458	10,059	7,543	7,082	26.9%	-5.7%
<b>Share in CARICOM Trade:</b>		<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>		
EU15	Exports	17.9%	18.1%	20.3%	21.4%	20.2%	19.6%	18.6%	12.0%	17.4%		
	Imports	18.6%	19.2%	15.0%	12.3%	12.3%	11.3%	10.5%	13.1%	14.1%		
	Total Trade	18.3%	18.6%	17.2%	15.4%	14.8%	14.2%	13.7%	12.6%	15.3%		
EU10	Exports	0.0%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.1%	0.1%		
	Imports	0.2%	0.2%	0.3%	0.2%	0.2%	0.1%	0.1%	0.1%	0.2%		
	Total Trade	0.1%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%		
US+Canada	Exports	42.0%	39.9%	46.4%	45.0%	45.2%	43.3%	48.0%	45.6%	47.9%		
	Imports	50.0%	50.8%	48.7%	57.1%	56.3%	52.8%	50.9%	49.9%	41.7%		
	Total Trade	45.9%	45.3%	47.8%	53.0%	52.8%	49.5%	49.7%	48.1%	44.0%		
<b>Memo:</b>		<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>		
<b>Share of CARICOM in EU15 Trade:</b>												
	Exports	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%		
	Imports	0.3%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%		
	Total Trade	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.3%		

Note: CARICOM data has missing values for some countries.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 14. Dominican Republic Trade, 1994-2002**

											Avg Annual Growth	
Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02
World	Exports	3,364	3,438	3,923	4,779	4,981	5,137	5,737	5,333	4,553	8.8%	-3.9%
	Imports	5,123	5,351	6,300	7,624	8,351	8,843	10,426	9,662	9,175	11.5%	1.2%
	Total Trade	8,487	8,789	10,223	12,404	13,332	13,979	16,163	14,995	13,728	10.5%	-0.6%
EU15	Exports	146	175	176	321	360	286	343	411	342	14.3%	6.1%
	Imports	58	64	56	414	576	617	824	819	1,072	60.6%	20.2%
	Total Trade	204	239	233	735	935	903	1,167	1,229	1,414	34.7%	16.1%
EU10	Exports	0.0	0.0	0.0	0.2	0.2	0.2	0.2	0.4	6.0	100.0%	205.2%
	Imports	0.0	0.0	0.0	0.9	2.5	9.1	10.7	12.9	22.6	100.0%	35.7%
	Total Trade	0.0	0.0	0.0	1.0	2.7	9.3	10.9	13.3	28.6	100.0%	45.6%
US+Canada	Exports	353	399	452	4,016	4,380	4,595	5,048	4,641	3,958	67.1%	-4.9%
	Imports	1,104	905	674	4,798	5,518	5,813	6,354	5,716	4,775	39.4%	-6.3%
	Total Trade	1,456	1,304	1,126	8,814	9,898	10,408	11,402	10,356	8,733	48.2%	-5.7%
<b>Share in Dom. Rep. Trade:</b>		<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>		
EU15	Exports	4.3%	5.1%	4.5%	6.7%	7.2%	5.6%	6.0%	7.7%	7.5%		
	Imports	1.1%	1.2%	0.9%	5.4%	6.9%	7.0%	7.9%	8.5%	11.7%		
	Total Trade	2.4%	2.7%	2.3%	5.9%	7.0%	6.5%	7.2%	8.2%	10.3%		
EU10	Exports	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%		
	Imports	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%		
	Total Trade	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.2%		
US+Canada	Exports	10.5%	11.6%	11.5%	84.0%	87.9%	89.5%	88.0%	87.0%	86.9%		
	Imports	21.5%	16.9%	10.7%	62.9%	66.1%	65.7%	60.9%	59.2%	52.0%		
	Total Trade	17.2%	14.8%	11.0%	71.1%	74.2%	74.5%	70.5%	69.1%	63.6%		
<b>Memo:</b>		<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>		
<b>Share of Dom. Rep. in EU15 Trade:</b>												
	Exports	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%		
	Imports	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
	Total Trade	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%		

Note: Some discrepancies in data reported for US+Canada in 1994-1996.

Source: IDB Integration and Regional Programs Department using IMF-DOTS; and for Memo items, UN-COMTRADE.

**Table 15. CARICOM + Dominican Republic Trade, 1994-2002**

											Avg Annual Growth	
Partner	US\$ mn	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02
World	Exports	6,249	6,839	8,747	10,199	9,936	11,069	13,637	11,968	10,520	12.1%	-1.7%
	Imports	7,834	8,734	12,873	18,264	18,745	20,000	22,751	18,710	19,299	20.6%	-1.2%
	Total Trade	14,082	15,573	21,620	28,463	28,681	31,069	36,389	30,678	29,819	17.1%	-1.4%
EU15	Exports	664	791	1,157	1,479	1,359	1,451	1,814	1,205	1,380	16.9%	-1.7%
	Imports	563	713	1,041	1,722	1,851	1,878	2,115	2,008	2,499	27.2%	10.0%
	Total Trade	1,227	1,504	2,198	3,201	3,210	3,329	3,929	3,213	3,878	22.1%	5.2%
EU10	Exports	0	5	1	1	1	5	1	10	13	113.3%	35.4%
	Imports	5	8	22	18	21	25	27	23	46	37.6%	22.3%
	Total Trade	5	13	23	18	22	31	28	32	59	42.4%	24.8%
US+Canada	Exports	1,564	1,756	2,693	6,456	6,622	7,164	8,838	7,666	6,815	35.6%	-1.7%
	Imports	2,460	2,622	3,878	10,876	11,374	11,702	12,622	10,233	9,000	36.6%	-8.4%
	Total Trade	4,024	4,378	6,571	17,331	17,996	18,866	21,461	17,899	15,815	36.2%	-5.7%
<b>Share in CARICOM + DR Trade:</b>			<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>		
EU15	Exports	10.6%	11.6%	13.2%	14.5%	13.7%	13.1%	13.3%	10.1%	13.1%		
	Imports	7.2%	8.2%	8.1%	9.4%	9.9%	9.4%	9.3%	10.7%	12.9%		
	Total Trade	8.7%	9.7%	10.2%	11.2%	11.2%	10.7%	10.8%	10.5%	13.0%		
EU10	Exports	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%		
	Imports	0.1%	0.1%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%		
	Total Trade	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%		
US+Canada	Exports	25.0%	25.7%	30.8%	63.3%	66.6%	64.7%	64.8%	64.1%	64.8%		
	Imports	31.4%	30.0%	30.1%	59.5%	60.7%	58.5%	55.5%	54.7%	46.6%		
	Total Trade	28.6%	28.1%	30.4%	60.9%	62.7%	60.7%	59.0%	58.3%	53.0%		
<b>Memo:</b>			<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	
<b>Share of CARICOM + DR in EU15 Trade:</b>												
	Exports		0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	
	Imports		0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	
	Total Trade		0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	

Note: CARICOM data has missing values for some countries; some discrepancies in trade data DR-US in 1994-1996.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE; and for DR, IMF-DOTS.

**Table 16: EU-LAC Trade by Individual Country: Main Characteristics, 2003**

Country	Share in LAC <sup>1/</sup> exports to and imports from EU15		Avg Annual Growth in exports to and imports from EU15 since 1999		EU 15 Share in exports and imports		Avg Annual Growth in EU15 share of exports and imports since 1999	
	X	M	X	M	X	M	X	M
Argentina	13.5%	5.8%	5.8%	-22.2%	20.3%	19.7%	0.2%	-32.1%
Bolivia	0.2%	0.3%	-21.9%	-13.7%	7.1%	8.4%	-65.6%	-33.1%
Brazil	41.2%	27.1%	7.1%	-4.0%	24.8%	24.9%	-13.6%	-17.4%
Chile	10.9%	7.3%	4.1%	4.7%	23.8%	18.7%	-9.1%	-8.0%
Colombia	4.2%	4.6%	-1.3%	2.6%	14.3%	15.5%	-15.2%	-15.1%
Costa Rica	1.2%	1.1%	-9.0%	11.4%	8.5%	7.0%	-62.1%	-24.8%
Dom. Rep.	0.8%	2.0%	5.9%	11.6%	6.6%	12.1%	18.9%	73.8%
Ecuador	2.4%	1.7%	6.1%	17.4%	17.3%	12.4%	-6.0%	-12.2%
El Salvador	0.2%	0.7%	-16.9%	8.6%	6.3%	7.9%	-55.8%	-0.9%
Guatemala	0.3%	1.5%	-18.7%	14.1%	2.8%	8.5%	-75.9%	-5.1%
Honduras	0.5%	0.4%	16.1%	-3.4%	17.9%	5.1%	58.8%	-29.0%
Jamaica	0.8%	0.9%	-0.2%	17.6%	30.5%	11.6%	2.0%	45.2%
Mexico	12.7%	38.6%	1.8%	8.8%	3.4%	10.6%	-11.1%	17.7%
Nicaragua	0.2%	0.3%	-12.4%	12.3%	11.3%	7.8%	-50.5%	59.4%
Panama	0.3%	0.5%	-0.8%	-9.2%	21.7%	7.0%	-2.6%	-21.1%
Paraguay	0.2%	0.4%	-21.2%	-9.4%	8.7%	10.0%	-77.0%	-28.8%
Peru	5.0%	2.3%	10.1%	-0.1%	25.4%	12.7%	-0.3%	-19.3%
Trin. & Tob.	1.2%	1.3%	13.7%	14.9%	11.2%	16.6%	3.5%	30.5%
Uruguay	1.0%	0.6%	0.5%	-17.9%	20.4%	13.0%	3.7%	-30.5%
Venezuela	2.9%	2.6%	3.1%	-23.0%	5.5%	13.4%	-2.2%	-48.0%

1/ 2003 estimates not yet available for CARICOM, except Trinidad & Tobago and Jamaica.

Note: 2003 estimates for Bolivia, Dominican Republic, El Salvador, Guatemala, Honduras, Jamaica, Nicaragua, Panama, Paraguay and

Trinidad & Tobago were calculated using each country's export and import growth rate to the world.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE and national sources.



**Table 17: LAC Trade with EU 10, Selected Countries: Main Characteristics, 2002**

Country	Share in LAC exports to and imports from EU10		Avg Annual Growth in exports to and imports from EU10 since 1999		EU10 Share in exports and imports		Avg Annual Growth in EU10 share of exports and imports since 1999	
	X	M	X	M	X	M	X	M
Mercosur	76.1%	39.4%	1.0%	2.3%	0.5%	0.7%	-13.8%	41.7%
Argentina	21.7%	6.5%	29.1%	-22.0%	0.5%	0.8%	95.1%	34.4%
Brazil	53.0%	32.1%	-5.3%	13.7%	0.5%	0.7%	-32.5%	52.9%
Chile	3.7%	4.3%	33.7%	5.7%	0.1%	0.3%	114.2%	6.8%
Mexico	8.1%	37.0%	-34.7%	25.4%	0.0%	0.2%	-76.4%	66.0%
Andean Com.	9.6%	12.4%	-14.5%	16.1%	0.1%	0.4%	-44.7%	40.3%
Colombia	2.9%	4.0%	-24.2%	7.3%	0.1%	0.4%	-57.5%	3.7%
Venezuela	0.0%	2.5%	53.7%	10.0%	0.0%	0.2%	213.0%	54.6%
Central America	1.2%	4.8%	-40.8%	28.8%	0.1%	0.2%	-77.8%	86.4%
Caricom	1.4%	2.1%	12.8%	13.2%	0.1%	0.2%	34.2%	52.6%

Country	Share in EU10 exports to and imports from LAC		Avg Annual Growth in exports to and imports from LAC since 1999		LAC Share in exports and imports		Avg Annual Growth in LAC share of exports and imports since 1999	
	X	M	X	M	X	M	X	M
Czech Republic	25.3%	25.5%	21.7%	38.6%	0.5%	1.2%	9.3%	59.2%
Hungary	21.0%	20.3%	7.3%	0.1%	0.5%	1.2%	-10.1%	-25.3%
Poland	38.1%	36.3%	1.9%	12.3%	0.8%	1.4%	-28.1%	18.0%
Slovakia	2.6%	4.4%	-23.7%	12.6%	0.2%	0.6%	-69.1%	-4.3%
Slovenia	3.9%	5.8%	-3.6%	19.7%	0.3%	1.2%	-26.0%	58.0%
Other EU10	9.2%	7.6%	8.6%	26.6%	0.6%	0.8%	6.1%	71.5%

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 18. Composition of LAC Exports by Region, 1994-2002 (% Share)**

Partner	Group	1994	1995	1996	1997	1998	1999	2000	2001	2002
World	Food	23.1	22.1	21.3	21.5	21.6	18.3	15.1	16.5	16.7
	AgrRaw	3.0	3.7	2.8	2.5	2.4	2.3	2.2	2.2	2.2
	OresMtls	8.2	9.1	7.6	7.5	7.0	6.5	6.3	5.8	5.9
	Fuels	14.8	14.2	16.6	14.3	10.2	13.1	17.5	15.2	15.2
	Manuf	49.4	49.3	49.0	51.6	57.4	58.3	57.6	58.9	58.5
	Goods nes	1.5	1.6	2.7	2.7	1.4	1.4	1.2	1.4	1.4
LAC	Food	19.3	19.5	20.3	18.5	22.0	20.3	17.3	17.8	18.2
	AgrRaw	2.8	2.8	2.7	2.2	1.9	2.1	1.8	1.8	2.0
	OresMtls	5.1	5.6	4.5	4.6	4.4	4.8	5.0	4.7	4.5
	Fuels	15.2	15.4	15.2	13.7	9.7	14.7	20.7	18.3	18.6
	Manuf	57.1	56.1	57.1	60.8	61.7	58.0	55.1	57.1	56.3
	Goods nes	0.5	0.5	0.3	0.2	0.2	0.2	0.2	0.2	0.3
USA	Food	12.3	11.8	10.4	10.7	10.3	8.7	7.2	7.2	7.2
	AgrRaw	1.9	2.1	1.7	1.6	1.6	1.5	1.2	1.3	1.4
	OresMtls	3.5	3.7	2.8	2.8	2.6	2.5	2.3	2.1	2.1
	Fuels	18.9	18.3	22.1	18.2	12.0	14.3	18.6	15.7	15.7
	Manuf	62.6	63.2	62.1	66.0	72.8	72.5	70.3	73.3	73.0
	Goods nes	0.8	1.0	0.8	0.8	0.8	0.6	0.4	0.4	0.5
Canada	Food	12.5	12.0	13.3	14.0	16.5	13.4	12.2	12.9	12.6
	AgrRaw	0.8	0.9	1.0	1.0	1.5	1.0	0.8	1.1	1.7
	OresMtls	11.2	10.3	11.4	9.0	11.4	8.9	8.5	6.7	9.1
	Fuels	10.1	9.7	11.7	16.1	13.1	17.9	14.0	13.7	10.0
	Manuf	62.9	65.6	62.2	57.2	54.1	56.7	61.4	63.2	64.1
	Goods nes	2.4	1.5	0.5	2.6	3.4	2.2	3.1	2.4	2.5
FTAA	Food	14.3	14.0	13.2	13.0	13.6	11.2	9.4	9.7	9.5
	AgrRaw	2.1	2.3	1.9	1.7	1.7	1.6	1.4	1.4	1.5
	OresMtls	4.1	4.4	3.5	3.4	3.3	3.1	3.0	2.8	2.8
	Fuels	17.6	17.2	19.9	16.9	11.4	14.5	19.0	16.2	16.2
	Manuf	61.1	61.2	60.7	64.3	69.4	69.1	66.9	69.5	69.5
	Goods nes	0.7	0.9	0.7	0.6	0.6	0.5	0.4	0.4	0.5
EU10	Food	74.1	57.8	70.7	62.2	52.7	47.8	38.2	52.8	57.6
	AgrRaw	1.3	1.2	0.9	0.8	0.9	1.3	1.0	1.0	1.3
	OresMtls	11.9	15.9	6.3	4.2	5.0	3.5	5.1	5.5	3.8
	Fuels	0.5	3.7	1.1	0.9	0.8	1.4	1.5	3.3	2.8
	Manuf	11.5	19.9	20.8	31.7	40.5	45.8	54.1	37.2	34.4
	Goods nes	0.7	1.5	0.3	0.2	0.2	0.2	0.1	0.3	0.2
EU15	Food	48.1	43.1	45.8	48.5	45.0	42.1	36.6	38.5	39.8
	AgrRaw	4.5	6.5	4.8	4.6	4.5	4.4	5.5	4.7	4.5
	OresMtls	13.6	16.2	15.2	15.7	16.3	15.0	15.1	14.0	14.1
	Fuels	7.8	7.1	8.1	6.8	5.8	6.0	9.7	9.3	10.2
	Manuf	22.3	24.0	23.3	22.8	26.1	30.3	30.7	30.0	28.2
	Goods nes	3.6	3.0	2.7	1.7	2.3	2.2	2.4	3.5	3.2
Asia	Food	31.7	31.9	35.3	37.1	39.5	34.3	32.2	34.7	34.5
	AgrRaw	7.4	9.0	7.2	7.0	7.3	7.2	8.4	9.3	7.3
	OresMtls	32.6	34.6	31.4	32.5	31.0	32.7	34.5	31.1	30.6
	Fuels	4.8	4.0	4.8	4.6	1.9	2.7	3.9	4.3	3.7
	Manuf	23.1	20.4	21.2	18.7	20.1	23.1	21.0	20.4	23.8
	Goods nes	0.3	0.1	0.1	0.1	0.1	0.2	0.1	0.2	0.2

Note: Sector Composition based on SITC Revision 2 aggregates, where Food is SITC 0+1+22+4, Agricultural Raw Materials is SITC 2-22-27-28, Ores & Metals is SITC 27+28+68, Fuels is SITC 3, Manufactured Goods is SITC 5+6-68+7+8, and Goods not elsewhere specified (Goods nes) is SITC 9.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 19. Composition of LAC Exports without Mexico by Region, 1994-2002 (% Share)**

Partner	Group	1994	1995	1996	1997	1998	1999	2000	2001	2002
World	Food	31.1	30.3	30.7	31.5	33.4	30.0	24.5	27.0	27.7
	AgrRaw	3.9	5.0	3.9	3.5	3.6	3.8	3.7	3.8	3.8
	OresMtls	11.2	12.5	11.0	11.1	11.0	11.0	10.9	9.8	10.4
	Fuels	16.3	16.4	19.4	17.0	13.5	18.5	24.7	21.8	21.0
	Manuf	35.3	33.5	30.9	32.5	36.3	34.4	33.9	35.2	34.5
	Goods nes	2.2	2.3	4.1	4.3	2.3	2.4	2.3	2.5	2.7
LAC	Food	20.5	21.1	22.3	20.3	23.8	21.6	18.3	18.8	19.4
	AgrRaw	2.8	2.9	2.8	2.3	2.0	2.1	1.8	1.8	2.1
	OresMtls	5.3	5.9	4.9	5.0	4.8	5.1	5.2	4.9	4.8
	Fuels	15.6	16.3	16.2	14.5	10.1	15.5	21.7	19.3	19.9
	Manuf	55.2	53.2	53.6	57.8	59.1	55.6	52.8	54.8	53.5
	Goods nes	0.5	0.6	0.3	0.2	0.2	0.2	0.2	0.2	0.3
USA	Food	20.3	19.0	19.1	21.7	22.6	18.2	13.6	13.8	13.9
	AgrRaw	3.0	3.8	3.3	3.4	4.0	3.9	3.2	3.8	4.1
	OresMtls	5.8	5.9	5.2	5.6	5.4	5.6	5.1	4.9	5.1
	Fuels	32.5	34.4	43.1	37.9	29.8	35.4	44.5	39.9	37.8
	Manuf	36.5	34.4	27.4	29.5	35.8	35.2	32.3	36.4	37.8
	Goods nes	1.8	2.4	1.8	2.0	2.3	1.8	1.2	1.2	1.5
Canada	Food	23.6	24.8	27.2	25.5	26.1	24.6	25.9	26.1	23.2
	AgrRaw	1.4	1.8	1.9	1.9	2.5	1.9	1.8	2.5	3.4
	OresMtls	22.5	21.6	24.6	17.4	19.4	17.4	18.9	14.8	19.0
	Fuels	14.9	17.8	17.9	23.6	18.1	27.9	20.2	22.1	14.1
	Manuf	32.6	30.7	27.5	26.5	27.8	23.8	26.3	28.9	35.1
	Goods nes	4.9	3.3	0.8	5.2	6.0	4.4	6.9	5.6	5.3
FTAA	Food	20.5	20.2	20.9	21.0	23.3	19.9	16.0	16.5	16.6
	AgrRaw	2.9	3.3	3.0	2.8	2.9	3.0	2.5	2.8	3.2
	OresMtls	5.9	6.3	5.5	5.5	5.4	5.7	5.5	5.1	5.3
	Fuels	24.0	24.9	29.3	25.4	18.9	26.0	33.6	29.6	29.1
	Manuf	45.5	43.9	40.3	44.1	48.2	44.3	41.5	45.2	44.8
	Goods nes	1.2	1.5	1.0	1.1	1.2	1.1	0.9	0.8	1.0
EU10	Food	74.8	58.0	74.6	68.6	63.0	61.7	47.7	58.1	62.3
	AgrRaw	1.3	1.2	0.9	0.9	1.0	1.6	1.0	1.1	1.4
	OresMtls	12.0	16.4	6.6	4.7	6.0	4.5	6.4	6.0	4.2
	Fuels	0.2	3.3	0.3	0.4	0.6	1.8	1.5	3.4	2.9
	Manuf	10.9	19.5	17.4	25.2	29.3	30.1	43.3	31.0	29.1
	Goods nes	0.7	1.5	0.3	0.2	0.2	0.2	0.1	0.3	0.2
EU15	Food	52.0	46.6	49.4	52.3	48.7	47.5	41.2	43.7	44.7
	AgrRaw	4.9	7.0	5.1	4.9	4.8	4.9	6.2	5.2	5.0
	OresMtls	14.0	16.8	15.8	16.4	17.6	16.9	17.0	15.9	16.2
	Fuels	5.1	5.5	6.6	5.0	4.6	4.5	6.8	7.2	7.6
	Manuf	20.1	20.8	20.2	19.6	21.9	23.8	26.1	24.1	23.0
	Goods nes	3.9	3.3	2.9	1.8	2.4	2.4	2.7	3.9	3.6
Asia	Food	34.9	34.2	39.0	40.3	43.0	38.2	35.2	37.5	37.5
	AgrRaw	7.9	9.6	7.2	7.0	7.6	8.1	9.2	10.1	7.9
	OresMtls	36.1	37.2	34.8	35.7	33.8	36.7	37.6	33.6	33.3
	Fuels	0.9	0.5	0.5	1.5	0.8	0.5	1.7	3.6	3.4
	Manuf	20.0	18.3	18.4	15.5	14.8	16.4	16.2	15.0	17.8
	Goods nes	0.3	0.1	0.1	0.1	0.1	0.2	0.1	0.3	0.1

Note: Sector Composition based on SITC Revision 2 aggregates, where Food is SITC 0+1+22+4, Agricultural Raw Materials is SITC 2-22-27-28, Ores & Metals is SITC 27+28+68, Fuels is SITC 3, Manufactured Goods is SITC 5+6-68+7+8, and Goods not elsewhere specified (Goods nes) is SITC 9.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 20. Composition of Mercosur Exports by Region, 1994-2002 (% Share)**

Partner	Group	1994	1995	1996	1997	1998	1999	2000	2001	2002
World	Food	35.5	35.5	37.8	37.7	37.7	36.2	30.5	33.4	33.9
	AgrRaw	3.6	5.2	4.0	3.4	3.3	3.8	3.9	3.4	3.3
	OresMtls	7.1	7.3	6.8	6.5	7.2	7.6	7.6	6.6	7.1
	Fuels	4.0	3.7	4.7	4.1	3.3	4.4	6.6	7.6	8.3
	Manuf	48.7	46.9	45.0	46.3	46.9	45.9	49.1	46.7	45.4
	Goods nes	1.1	1.4	1.7	1.9	1.6	2.1	2.3	2.2	2.1
LAC	Food	22.7	24.3	24.5	21.5	24.4	22.3	19.5	18.7	19.2
	AgrRaw	2.7	2.9	2.8	2.3	2.0	2.1	1.7	1.5	1.6
	OresMtls	2.1	2.4	2.3	2.1	2.2	2.6	2.5	2.3	2.7
	Fuels	7.9	8.3	10.3	8.2	5.8	8.7	13.2	14.0	15.3
	Manuf	64.4	61.8	59.9	65.8	65.6	64.3	63.0	63.4	61.2
	Goods nes	0.2	0.3	0.1	0.1	0.1	0.1	0.1	0.1	0.1
USA	Food	17.5	16.3	19.3	19.4	17.1	15.9	11.6	9.8	9.9
	AgrRaw	3.2	5.6	4.7	4.2	4.3	4.7	4.4	3.8	3.7
	OresMtls	4.6	4.8	3.4	4.1	3.6	3.9	4.4	3.2	3.5
	Fuels	5.6	3.9	5.7	5.3	5.7	7.5	9.3	11.6	10.9
	Manuf	68.2	67.5	64.3	63.8	66.5	65.3	68.1	70.1	70.4
	Goods nes	0.9	1.9	2.6	3.2	2.8	2.7	2.2	1.6	1.6
EU15	Food	56.6	51.4	56.2	58.2	53.0	53.0	46.5	51.4	51.7
	AgrRaw	5.1	8.0	5.3	5.1	4.8	5.2	6.4	5.2	4.9
	OresMtls	8.3	8.7	9.0	9.1	12.0	10.5	11.3	10.0	10.4
	Fuels	1.1	0.8	0.6	0.3	0.3	0.2	0.5	1.2	2.2
	Manuf	28.2	30.5	28.1	26.8	29.5	30.6	34.6	31.1	29.6
	Goods nes	0.7	0.6	0.9	0.6	0.5	0.5	0.7	1.2	1.1
Asia	Food	36.5	34.3	40.6	42.2	47.1	37.3	36.5	42.3	40.1
	AgrRaw	5.0	7.6	5.1	5.1	5.7	7.1	7.5	7.2	6.1
	OresMtls	25.6	25.6	23.7	24.7	23.9	30.0	26.4	24.8	23.3
	Fuels	0.7	0.8	0.5	2.0	1.1	0.1	0.8	1.6	3.5
	Manuf	31.8	31.5	29.9	25.8	22.2	25.3	28.8	24.0	26.9
	Goods nes	0.5	0.2	0.1	0.1	0.1	0.2	0.1	0.1	0.1

Note: Sector Composition based on SITC Revision 2 aggregates, where Food is SITC 0+1+22+4, Agricultural Raw Materials is SITC 2-22-27-28, Ores & Metals is SITC 27+28+68, Fuels is SITC 3, Manufactured Goods is SITC 5+6-68+7+8, and Goods not elsewhere specified (Goods nes) is SITC 9.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 21. Composition of Mexico Exports by Region, 1994-2002 (% Share)**

Partner	Group	1994	1995	1996	1997	1998	1999	2000	2001	2002
World	Food	7.1	7.7	6.4	6.2	6.2	5.4	4.9	5.0	5.0
	AgrRaw	1.3	1.3	1.2	1.0	0.8	0.6	0.6	0.5	0.6
	OresMtls	2.3	2.9	2.0	1.9	1.8	1.5	1.3	1.3	1.2
	Fuels	11.9	10.3	12.0	10.0	5.9	7.1	9.7	8.0	8.9
	Manuf	77.3	77.5	78.1	80.7	85.1	85.1	83.4	85.1	84.3
	Goods nes	0.2	0.3	0.4	0.2	0.2	0.3	0.1	0.1	0.1
LAC	Food	4.2	4.5	5.4	5.4	7.0	8.4	6.9	8.2	7.8
	AgrRaw	2.8	2.6	2.0	1.7	1.4	1.7	1.9	1.6	1.3
	OresMtls	2.5	2.5	1.6	1.6	1.6	2.2	2.7	2.1	1.8
	Fuels	10.2	6.6	7.4	7.9	6.4	6.6	10.5	8.6	6.9
	Manuf	80.1	83.6	83.4	83.2	83.5	81.0	77.7	79.4	82.0
	Goods nes	0.2	0.2	0.2	0.2	0.1	0.2	0.3	0.1	0.2
USA	Food	7.2	7.8	5.9	5.6	5.6	5.1	4.6	4.7	4.8
	AgrRaw	1.1	1.1	0.9	0.7	0.6	0.5	0.5	0.4	0.5
	OresMtls	2.0	2.4	1.6	1.5	1.5	1.3	1.1	1.1	1.1
	Fuels	10.2	9.5	11.2	9.1	5.2	6.3	8.4	6.8	7.8
	Manuf	79.3	78.8	80.0	82.9	86.8	86.7	85.3	86.8	85.8
	Goods nes	0.2	0.2	0.4	0.2	0.2	0.1	0.1	0.1	0.1
EU15	Food	8.1	9.3	12.9	14.9	12.4	8.1	7.8	6.4	7.8
	AgrRaw	1.1	1.1	2.5	2.5	2.0	1.1	1.2	1.4	1.5
	OresMtls	9.2	11.0	9.5	9.9	5.5	3.4	3.1	2.2	0.9
	Fuels	36.1	23.2	21.8	21.9	16.5	15.5	27.7	22.6	27.2
	Manuf	44.8	55.1	52.4	50.2	62.7	71.0	59.4	66.9	62.2
	Goods nes	0.6	0.2	0.9	0.7	0.9	0.9	0.8	0.6	0.4
Asia	Food	4.4	8.5	10.3	12.3	12.9	7.9	8.5	9.6	7.8
	AgrRaw	2.8	3.2	7.1	6.6	5.3	1.2	1.9	1.8	2.3
	OresMtls	2.6	7.5	8.9	7.1	9.4	5.7	9.9	7.9	5.4
	Fuels	39.4	39.7	33.6	29.1	10.6	17.2	21.0	10.5	6.7
	Manuf	50.7	40.9	40.1	44.4	61.7	68.0	58.5	70.0	77.4
	Goods nes	0.1	0.1	0.1	0.5	0.1	0.1	0.1	0.2	0.3

Note: Sector Composition based on SITC Revision 2 aggregates, where Food is SITC 0+1+22+4, Agricultural Raw Materials is SITC 2-22-27-28, Ores & Metals is SITC 27+28+68, Fuels is SITC 3, Manufactured Goods is SITC 5+6-68+7+8, and Goods not elsewhere specified (Goods nes) is SITC 9.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 22. Composition of Chile Exports by Region, 1994-2002 (% Share)**

Partner	Group	1994	1995	1996	1997	1998	1999	2000	2001	2002
World	Food	26.0	23.7	26.8	24.7	28.0	27.5	24.3	26.1	27.5
	AgrRaw	12.2	13.5	10.2	9.5	9.6	10.3	10.8	11.0	10.1
	OresMtIs	42.2	47.1	45.0	47.0	42.0	42.5	44.5	40.7	40.6
	Fuels	0.2	0.3	0.2	0.3	0.4	0.4	1.1	1.5	1.2
	Manuf	15.0	11.8	13.2	14.4	16.2	15.8	15.4	17.0	16.2
	Goods nes	4.4	3.7	4.6	4.1	3.8	3.5	3.9	3.7	4.4
LAC	Food	26.3	24.9	28.2	25.4	28.5	26.7	23.1	26.8	26.3
	AgrRaw	6.6	7.3	4.6	4.0	3.5	4.3	5.0	5.3	5.9
	OresMtIs	23.8	28.2	21.9	24.7	24.5	23.7	26.5	23.4	20.0
	Fuels	0.8	1.1	0.7	1.2	1.0	1.4	3.5	3.4	4.0
	Manuf	41.4	37.5	41.9	43.1	41.3	42.5	40.5	39.6	41.0
	Goods nes	1.0	1.0	2.6	1.6	1.2	1.4	1.3	1.5	2.7
USA	Food	37.6	33.7	38.5	39.0	43.5	39.1	43.0	37.8	40.3
	AgrRaw	6.8	8.2	7.9	10.2	11.9	12.5	10.8	12.4	11.3
	OresMtIs	30.8	35.6	34.4	31.2	21.8	26.0	22.7	24.5	23.0
	Fuels	0.0	0.1	0.2	0.4	0.8	0.4	1.8	3.3	1.9
	Manuf	16.8	13.3	12.3	14.0	19.1	18.9	18.1	19.1	21.2
	Goods nes	8.0	9.1	6.8	5.1	2.9	3.1	3.5	2.9	2.4
EU15	Food	21.4	16.9	20.6	18.9	19.2	20.7	18.1	20.4	23.0
	AgrRaw	11.2	14.2	9.9	8.7	9.3	8.1	12.6	9.3	9.0
	OresMtIs	53.7	59.2	56.2	58.1	58.3	58.4	55.2	56.7	53.6
	Fuels	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Manuf	7.7	5.1	5.5	7.5	7.0	7.4	8.9	9.5	8.5
	Goods nes	6.0	4.5	7.7	6.8	6.3	5.3	5.1	4.2	5.9
Asia	Food	23.3	24.8	25.7	24.5	31.0	33.1	24.5	26.8	28.7
	AgrRaw	17.6	17.1	13.8	12.9	13.6	12.6	14.9	18.8	14.4
	OresMtIs	56.1	56.0	57.6	59.6	52.5	51.8	58.3	50.7	54.2
	Fuels	0.1	0.0	0.0	0.0	0.0	0.2	0.0	0.1	0.0
	Manuf	2.9	2.0	2.7	2.9	2.8	2.2	2.1	3.3	2.6
	Goods nes	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.1

Note: Sector Composition based on SITC Revision 2 aggregates, where Food is SITC 0+1+22+4, Agricultural Raw Materials is SITC 2-22-27-28, Ores & Metals is SITC 27+28+68, Fuels is SITC 3, Manufactured Goods is SITC 5+6-68+7+8, and Goods not elsewhere specified (Goods nes) is SITC 9.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 23. Composition of Andean Community Exports by Region, 1994-2002 (% Share)**

Partner	Group	1994	1995	1996	1997	1998	1999	2000	2001	2002
World	Food	21.5	19.2	17.2	20.6	21.2	17.2	12.0	13.4	14.1
	AgrRaw	2.4	2.3	2.2	2.3	2.6	2.4	1.9	2.3	2.7
	OresMtls	9.0	9.9	8.1	8.3	8.6	7.2	6.5	6.9	7.4
	Fuels	46.6	47.9	54.4	49.8	42.5	52.6	61.7	55.7	53.2
	Manuf	18.0	18.3	16.0	17.2	21.5	17.6	15.7	19.1	19.1
	Goods nes	2.4	2.4	2.2	1.9	3.5	3.1	2.2	2.7	3.5
LAC	Food	12.2	12.1	13.2	12.9	15.9	14.6	11.2	13.5	13.0
	AgrRaw	1.9	1.6	2.0	1.7	1.5	1.3	1.0	1.1	1.3
	OresMtls	7.9	7.9	7.2	7.1	6.8	5.9	5.6	5.5	6.0
	Fuels	39.0	39.1	37.1	36.3	26.3	37.8	46.0	36.8	37.1
	Manuf	39.0	39.2	40.4	41.9	49.6	40.4	36.2	43.0	42.6
	Goods nes	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.1	0.0
USA	Food	13.7	11.9	8.9	12.3	14.2	10.1	5.5	6.9	7.8
	AgrRaw	3.1	3.0	2.6	2.8	3.8	3.2	2.3	3.1	3.8
	OresMtls	4.3	3.7	3.1	3.8	4.6	4.4	3.8	4.2	4.1
	Fuels	65.6	69.1	75.7	70.1	61.1	68.2	77.5	73.5	70.8
	Manuf	12.9	11.8	8.9	10.0	14.0	12.8	10.3	11.9	12.1
	Goods nes	0.4	0.5	0.9	1.0	2.4	1.4	0.5	0.4	1.4
EU15	Food	45.0	40.3	37.7	46.7	44.5	42.7	34.3	30.2	32.0
	AgrRaw	2.3	2.3	2.2	2.5	2.3	2.6	2.5	2.4	2.5
	OresMtls	13.0	14.6	14.2	14.5	12.7	13.5	11.8	10.2	13.0
	Fuels	18.9	22.6	27.2	22.3	22.5	22.0	31.2	31.2	29.1
	Manuf	9.4	10.7	11.5	10.9	10.6	10.7	11.3	12.2	12.1
	Goods nes	11.4	9.5	7.1	3.0	7.4	8.4	8.9	13.8	11.3
Asia	Food	43.3	41.7	53.6	58.3	49.5	51.4	50.3	44.7	43.9
	AgrRaw	1.6	2.0	1.9	2.8	2.5	2.7	2.9	3.0	2.0
	OresMtls	41.3	45.4	33.6	30.2	39.2	36.4	33.1	36.1	33.9
	Fuels	2.8	0.9	1.1	2.7	1.6	2.4	8.1	10.2	9.9
	Manuf	11.0	10.0	9.7	5.9	7.2	7.1	5.7	6.0	10.1
	Goods nes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Note: Sector Composition based on SITC Revision 2 aggregates, where Food is SITC 0+1+22+4, Agricultural Raw Materials is SITC 2-22-27-28, Ores & Metals is SITC 27+28+68, Fuels is SITC 3, Manufactured Goods is SITC 5+6-68+7+8, and Goods not elsewhere specified (Goods nes) is SITC 9.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 24. Composition of CACM Exports by Region, 1994-2002 (% Share)**

Partner	Group	1994	1995	1996	1997	1998	1999	2000	2001	2002
World	Food	63.3	66.0	62.8	57.1	52.8	41.9	44.5	44.3	41.1
	AgrRaw	4.1	3.9	4.6	3.7	3.4	2.7	3.0	3.8	4.8
	OresMtls	1.0	1.1	1.5	2.0	1.4	1.3	1.7	1.5	1.6
	Fuels	0.9	1.0	1.7	1.8	1.2	1.5	2.7	2.5	2.7
	Manuf	28.4	26.0	29.2	34.8	40.7	52.2	47.7	47.4	49.5
	Goods nes	2.3	2.1	0.3	0.6	0.5	0.4	0.4	0.5	0.4
LAC	Food	29.4	29.2	28.6	27.8	35.7	30.4	29.3	28.3	30.8
	AgrRaw	3.5	3.4	4.4	3.0	2.5	2.5	2.7	3.5	5.1
	OresMtls	2.1	2.5	2.3	4.1	2.8	3.5	4.3	3.3	2.5
	Fuels	0.7	0.7	1.6	2.0	1.5	1.9	2.6	3.3	2.3
	Manuf	64.2	64.1	62.9	62.7	57.3	61.7	61.0	61.6	59.2
	Goods nes	0.2	0.1	0.2	0.3	0.1	0.0	0.1	0.1	0.0
USA	Food	70.3	71.3	71.9	58.6	54.3	41.2	45.5	47.1	39.2
	AgrRaw	3.3	3.3	3.0	2.6	2.3	1.9	2.3	3.2	3.8
	OresMtls	0.3	0.6	0.7	1.0	0.8	0.6	0.7	0.6	1.3
	Fuels	1.5	1.9	2.7	2.7	1.8	2.0	3.9	3.0	4.1
	Manuf	19.2	17.6	21.2	34.1	39.7	53.4	47.0	45.5	51.0
	Goods nes	5.4	5.5	0.4	1.1	1.1	0.8	0.5	0.7	0.6
EU15	Food	90.3	90.8	84.0	85.7	76.2	59.0	62.9	68.9	66.4
	AgrRaw	6.0	5.3	7.1	6.6	6.5	5.3	5.9	7.7	8.4
	OresMtls	0.7	0.4	1.8	1.7	0.6	0.2	0.1	0.1	0.1
	Fuels	0.1	0.3	0.5	0.2	0.3	0.4	0.6	0.8	1.2
	Manuf	2.6	3.1	6.6	5.7	16.4	35.0	30.3	22.3	23.8
	Goods nes	0.3	0.2	0.1	0.1	0.1	0.0	0.1	0.1	0.1
Asia	Food	91.7	95.4	91.6	82.9	60.7	38.5	59.0	59.2	47.3
	AgrRaw	6.8	3.9	6.2	4.3	1.9	2.2	2.8	5.1	5.0
	OresMtls	0.1	0.0	0.1	1.8	0.1	0.6	0.3	0.5	0.9
	Fuels	0.1	0.0	0.1	0.2	0.0	0.0	0.0	0.0	0.0
	Manuf	1.1	0.6	1.9	10.9	37.3	58.7	37.8	35.2	46.7
	Goods nes	0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0

Note: Sector Composition based on SITC Revision 2 aggregates, where Food is SITC 0+1+22+4, Agricultural Raw Materials is SITC 2-22-27-28, Ores & Metals is SITC 27+28+68, Fuels is SITC 3, Manufactured Goods is SITC 5+6-68+7+8, and Goods not elsewhere specified (Goods nes) is SITC 9.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.



**Table 25. Composition of Costa Rica Exports by Region, 1994-2002 (% Share)**

Partner	Group	1994	1995	1996	1997	1998	1999	2000	2001	2002
World	Food	61.2	63.4	65.6	50.4	41.4	28.6	30.0	32.4	31.3
	AgrRaw	5.2	5.0	6.7	4.8	4.5	2.5	3.0	3.4	3.4
	OresMtls	1.0	1.1	1.2	1.0	0.8	0.5	0.8	0.8	0.8
	Fuels	0.6	0.8	0.9	0.5	0.4	0.4	0.6	0.8	1.0
	Manuf	26.8	25.1	25.4	42.8	52.8	67.9	65.5	62.4	63.3
	Goods nes	5.3	4.7	0.3	0.5	0.1	0.1	0.1	0.1	0.2
LAC	Food	24.7	24.7	28.8	25.8	42.7	25.9	24.1	23.8	25.6
	AgrRaw	1.1	1.2	1.3	1.0	1.7	0.8	0.6	0.5	0.6
	OresMtls	2.2	2.5	2.5	2.6	1.9	2.0	2.6	2.4	2.3
	Fuels	0.3	0.6	0.5	0.8	0.5	0.5	0.8	1.2	1.1
	Manuf	71.2	70.6	66.0	69.0	53.1	70.8	71.9	72.1	70.5
	Goods nes	0.5	0.5	0.8	0.8	0.0	0.0	0.0	0.0	0.0
USA	Food	59.6	61.9	73.7	43.6	32.8	25.3	27.6	31.6	28.3
	AgrRaw	3.8	3.7	4.2	2.2	2.6	1.6	2.2	2.5	2.6
	OresMtls	0.4	0.6	0.9	0.5	0.5	0.3	0.4	0.4	0.4
	Fuels	0.6	1.1	1.1	0.5	0.3	0.3	0.4	0.6	0.8
	Manuf	24.1	21.6	19.9	52.5	63.5	72.3	69.2	64.6	67.6
	Goods nes	11.5	11.2	0.2	0.6	0.3	0.2	0.2	0.2	0.3
EU15	Food	87.0	87.2	82.6	82.6	61.6	42.0	43.5	53.2	54.5
	AgrRaw	9.2	9.2	13.2	12.3	9.7	6.0	7.4	10.0	9.4
	OresMtls	0.6	0.5	0.4	0.1	0.1	0.1	0.2	0.2	0.1
	Fuels	0.2	0.6	1.1	0.4	0.5	0.6	1.0	1.3	1.8
	Manuf	2.5	2.1	2.7	4.5	28.0	51.3	48.0	35.2	34.2
	Goods nes	0.5	0.3	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Asia	Food	78.2	90.0	82.7	64.5	27.4	9.4	24.3	21.7	13.7
	AgrRaw	19.2	8.5	13.1	7.5	2.6	2.2	4.1	7.7	6.8
	OresMtls	0.3	0.0	0.1	0.0	0.0	0.0	0.3	0.5	0.3
	Fuels	0.0	0.0	0.1	0.4	0.0	0.0	0.1	0.0	0.0
	Manuf	2.2	1.2	3.9	27.6	69.9	88.4	71.2	70.2	79.1
	Goods nes	0.2	0.4	0.1	0.0	0.0	0.0	0.0	0.0	0.0

Memo: Costa Rica's Share of CACM Exports to the EU:		1994	1995	1996	1997	1998	1999	2000	2001	2002
Group										
Food		49.7	43.4	43.1	41.9	43.6	47.4	42.4	46.3	52.3
AgrRaw		79.5	78.8	81.5	80.6	80.8	75.9	76.4	78.0	71.7
OresMtls		46.5	57.9	9.0	2.7	9.0	29.8	76.2	89.7	75.9
Fuels		96.6	99.9	96.1	92.8	92.4	94.9	100.0	99.8	97.2
Manuf		49.6	31.2	17.8	34.3	92.0	97.6	97.1	94.7	91.5
Goods nes		91.2	84.2	30.9	46.5	34.3	26.2	13.8	10.1	15.1
Total Exports		51.6	45.2	43.9	43.5	53.8	66.6	61.4	60.0	63.8

Note: Sector Composition based on SITC Revision 2 aggregates, where Food is SITC 0+1+22+4, Agricultural Raw Materials is SITC 2-22-27-28, Ores & Metals is SITC 27+28+68, Fuels is SITC 3, Manufactured Goods is SITC 5+6-68+7+8, and Goods not elsewhere specified (Goods nes) is SITC 9.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 26. Top 50 Products Exported by LAC to Various Destinations, 1994 and 2002**

**Table 26a. Share of Top 50 Products in Total LAC Exports to EU 15, 1994 and 2002**

1994				2002			
Code	Product Description	US\$m	Share	Code	Product Description	US\$m	Share
07111	Coffee,not roasted;coffee husks	3,193	10.2%	08131	Oil-cake of soya beans	3,134	8.0%
08131	Oil-cake of soya beans	2,535	8.1%	3330	Petrol.oils & crude oils obt.fr	3,021	7.7%
3330	Petrol.oils & crude oils obt.from	1,691	5.4%	2222	Soya beans	1,938	4.9%
2222	Soya beans	1,561	5.0%	68212	Refined copper,unwrought	1,884	4.8%
68212	Refined copper,unwrought	1,264	4.0%	07111	Coffee,not roasted;coffee hu	1,503	3.8%
0573	Bananas,fresh or dried	1,124	3.6%	97101	Gold,non-monetary unwroug	1,112	2.8%
97101	Gold,non-monetary unwrought,s	984	3.1%	0573	Bananas,fresh or dried	1,098	2.8%
2815	Iron ore and concentrates,not a	750	2.4%	2815	Iron ore and concentrates,no	800	2.0%
01112	Meat of bovine animals boneles	625	2.0%	25172	Chemical wood pulp,bleache	783	2.0%
25172	Chemical wood pulp,bleached o	575	1.8%	05851	Orange juice	752	1.9%
05851	Orange juice	557	1.8%	6114	Leather of other bovine cattle	691	1.8%
6114	Leather of other bovine cattle ar	541	1.7%	01112	Meat of bovine animals bone	680	1.7%
3222	Other coal,whether/not pulverize	420	1.3%	28711	Copper ores and concentrat	636	1.6%
0360	Crustaceans and molluscs,fresh	394	1.3%	3222	Other coal,whether/not pulve	607	1.5%
7132	Int.combustion piston engines fr	387	1.2%	0360	Crustaceans and molluscs,fr	550	1.4%
2816	Iron ore agglomerates (sinters,p	308	1.0%	0114	Poultry,dead & edible offals	467	1.2%
0149	Other prepared or preserved me	303	1.0%	7810	Passenger motor cars,for tra	451	1.1%
68211	Unrefined copper	295	0.9%	7132	Int.combustion piston engine	441	1.1%
67169	Other ferro-alloys	282	0.9%	7599	Parts of and accessories suil	438	1.1%
08142	Flours & meals of fish,unfit for h	256	0.8%	7139	Parts of int.comb.piston engi	404	1.0%
28732	Alumina (aluminium oxide)	254	0.8%	67169	Other ferro-alloys	391	1.0%
2875	Zinc ores and concentrates	245	0.8%	7849	Other parts & accessories of	374	1.0%
28711	Copper ores and concentrates	230	0.7%	11212	Wine of fresh grapes;grape r	344	0.9%
85102	Footwear with outer soles of lea	224	0.7%	4236	Sunflower seed oil	272	0.7%
0611	Sugars,beet and cane,raw,solid	216	0.7%	2816	Iron ore agglomerates (sinter	251	0.6%
7810	Passenger motor cars,for trans	197	0.6%	0149	Other prepared or preserved	250	0.6%
7821	Motor vehicles for transport of g	195	0.6%	6342	Plywood consisting of sheets	245	0.6%
1222	Cigarettes	181	0.6%	28732	Alumina (aluminium oxide)	234	0.6%
24831	Wood of non-conif.spec.sawn le	179	0.6%	51211	Methyl alcohol (methanol)	223	0.6%
7139	Parts of int.comb.piston engines	166	0.5%	7923	Aircraft not exceeding an unl	205	0.5%
7849	Other parts & accessories of mc	157	0.5%	82192	Furniture,n.e.s. of wood	202	0.5%
68421	Bars,rods,angles,shapes & sect	156	0.5%	08142	Flours & meals of fish,unfit fr	195	0.5%
0114	Poultry,dead & edible offals ex.l	142	0.5%	0344	Fish fillets,frozen	192	0.5%
0342	Fish,frozen (excluding fillets)	140	0.4%	0440	Maize (corn),unmilled	192	0.5%
0344	Fish fillets,frozen	137	0.4%	0611	Sugars,beet and cane,raw,sc	188	0.5%
6342	Plywood consisting of sheets of	135	0.4%	0371	Fish,prepared or preserved,r	186	0.5%
4232	Soya bean oil	128	0.4%	0342	Fish,frozen (excluding fillets)	174	0.4%
08135	Oil-cake of sunflower seeds	117	0.4%	28793	Ores & concentr.of molybder	160	0.4%
08119	Products of veg.origin of a kind	114	0.4%	05798	Other fresh fruit	159	0.4%
2224	Sunflower seeds	114	0.4%	24831	Wood of non-conif.spec.saw	155	0.4%
6673	Oth.precious & semi-precious st	113	0.4%	05751	Grapes,fresh	145	0.4%
82192	Furniture,n.e.s. of wood	112	0.4%	7524	Digital central storage units,s	143	0.4%
0542	Beans,peas,lentils & other legur	112	0.4%	85102	Footwear with outer soles of	142	0.4%
0371	Fish,prepared or preserved,n.e.:	99	0.3%	0616	Natural honey	141	0.4%
7721	Elect.app.such as switches,rela	98	0.3%	67251	Blooms etc.of other than high	139	0.4%
0574	Apples,fresh	93	0.3%	11249	Spirits and distilled alcoholic	134	0.3%
6123	Parts of footwear	93	0.3%	0574	Apples,fresh	127	0.3%
68113	Silver,unwrought, in primary for	93	0.3%	68113	Silver,unwrought, in primary	123	0.3%
29271	Cut flowers & buds for bouquets	90	0.3%	2875	Zinc ores and concentrates	121	0.3%
0115	Meat of horses,asses,etc.,fresh,	85	0.3%	29271	Cut flowers & buds for bouq	113	0.3%
<b>Top 50</b>		<b>22,459</b>	<b>71.8%</b>	<b>Top 50</b>		<b>27,313</b>	<b>69.7%</b>
<b>Total Trade</b>		<b>31,290</b>	<b>100%</b>	<b>Total Trade</b>		<b>39,210</b>	<b>100%</b>

Note: Calculated at the SITC Revision 2 leaf level of aggregation.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 26b. Share of Top 50 Products in Total LAC Exports to LAC, 1994 and 2002**

1994					2002				
Code	Product Description	US\$m	Share	Acc Share	Code	Product Description	US\$m	Share	Acc Share
3330	Petrol.oils & crude oils obt.fr	2,317	6.6%	6.6%	3330	Petrol.oils & crude oils obt.fr	5,814	11.7%	11.7%
7810	Passenger motor cars,for tra	1,372	3.9%	10.5%	7810	Passenger motor cars,for tra	2,354	4.8%	16.5%
7849	Other parts & accessories of	1,074	3.1%	13.6%	54179	Medicaments containing oth	1,114	2.2%	18.7%
7821	Motor vehicles for transport c	837	2.4%	16.0%	7821	Motor vehicles for transport c	963	1.9%	20.7%
4232	Soya bean oil	501	1.4%	17.4%	7849	Other parts & accessories of	799	1.6%	22.3%
2631	Cotton (other than linters),no	315	0.9%	18.3%	3414	Petroleum gases and other g	553	1.1%	23.4%
7831	Public-service type passenge	313	0.9%	19.2%	09809	Food preparations,n.e.s.	503	1.0%	24.4%
0440	Maize (corn),unmilled	302	0.9%	20.1%	4232	Soya bean oil	440	0.9%	25.3%
68212	Refined copper,unwrought	277	0.8%	20.9%	6783	Other tubes and pipes,of iror	427	0.9%	26.2%
28711	Copper ores and concentrate	274	0.8%	21.7%	08131	Oil-cake of soya beans	424	0.9%	27.0%
3344	Fuel oils,n.e.s.	264	0.8%	22.4%	8931	Art.for the conveyance or pa	391	0.8%	27.8%
54179	Medicaments containing oth	248	0.7%	23.1%	2222	Soya beans	347	0.7%	28.5%
67461	Sheets & plates,of oth.than f	233	0.7%	23.8%	34131	Liquefied propane and butan	341	0.7%	29.2%
7132	Int.combustion piston engine	232	0.7%	24.5%	89399	Other articles,n.e.s.of mat.of	308	0.6%	29.8%
6252	Tyres,pneumat.,new,of a kin	222	0.6%	25.1%	5542	Organic surface-active agent	307	0.6%	30.5%
2222	Soya beans	220	0.6%	25.7%	3344	Fuel oils,n.e.s.	303	0.6%	31.1%
04221	Rice,semi/wholly milled,excl.	218	0.6%	26.3%	58311	Polyethylene in primary form	299	0.6%	31.7%
7841	Chassis fitted with engines fc	215	0.6%	27.0%	68212	Refined copper,unwrought	296	0.6%	32.3%
58311	Polyethylene in primary form	206	0.6%	27.5%	64285	Sanitary towels & tampons o	293	0.6%	32.9%
0611	Sugars,beet and cane,raw,sc	201	0.6%	28.1%	0440	Maize (corn),unmilled	277	0.6%	33.4%
6114	Leather of other bovine cattle	199	0.6%	28.7%	01112	Meat of bovine animals bone	273	0.6%	34.0%
89211	Printed books,booklets,broct	197	0.6%	29.3%	64159	Other paper and paperboard	264	0.5%	34.5%
65224	Oth.woven fabrics cont.85%	195	0.6%	29.8%	6114	Leather of other bovine cattle	248	0.5%	35.0%
64159	Other paper and paperboard	192	0.5%	30.4%	5839	Other polymerization and co	244	0.5%	35.5%
3343	Gas oils	184	0.5%	30.9%	02243	Milk & cream powder (weight	239	0.5%	36.0%
58341	Polyvinyl chloride in primary	181	0.5%	31.4%	6252	Tyres,pneumat.,new,of a kin	228	0.5%	36.4%
01112	Meat of bovine animals bone	180	0.5%	31.9%	7611	Television receivers,colour	225	0.5%	36.9%
67251	Blooms etc.of other than high	176	0.5%	32.4%	58231	Alkyds in primary forms	224	0.5%	37.4%
85102	Footwear with outer soles of	170	0.5%	32.9%	67491	Oth.sheets & plates,of oth.th	218	0.4%	37.8%
0612	Refined sugars and other prc	161	0.5%	33.4%	7132	Int.combustion piston engine	218	0.4%	38.2%
7139	Parts of int.comb.piston engi	160	0.5%	33.8%	6251	Tyres,pneumatic,new,of a kir	218	0.4%	38.7%
8931	Art.for the conveyance or pa	153	0.4%	34.3%	89211	Printed books,booklets,broct	217	0.4%	39.1%
67326	Bars & rods,not furth.work.th	150	0.4%	34.7%	58341	Polyvinyl chloride in primary	213	0.4%	39.5%
1222	Cigarettes	149	0.4%	35.1%	33411	Motor spirit,including aviator	212	0.4%	40.0%
89399	Other articles,n.e.s.of mat.of	148	0.4%	35.5%	5541	Soap;organic surface-active	211	0.4%	40.4%
4236	Sunflower seed oil	148	0.4%	36.0%	28711	Copper ores and concentrate	208	0.4%	40.8%
7842	Bodies for the motor vehicles	145	0.4%	36.4%	54171	Medicaments contain.antibio	205	0.4%	41.2%
33411	Motor spirit,including aviator	140	0.4%	36.8%	65224	Oth.woven fabrics cont.85%	198	0.4%	41.6%
7721	Elect.app.such as switches,r	138	0.4%	37.2%	24821	Wood of conifer.spec.sawn l	189	0.4%	42.0%
68221	Bars,rods,angles,shapes & s	137	0.4%	37.6%	7643	Radiotelegraphic & radiotele	182	0.4%	42.4%
25172	Chemical wood pulp,bleache	137	0.4%	37.9%	67461	Sheets & plates,of oth.than f	176	0.4%	42.7%
67271	Iron/steel coils of oth.than hi	132	0.4%	38.3%	7731	Insulated,elect.wire,cable,ba	175	0.4%	43.1%
66511	Carboys,bottles,jars,pots,tub	131	0.4%	38.7%	5913	Weed killers (herbicides)pac	171	0.3%	43.4%
0542	Beans,peas,lentils & other le	129	0.4%	39.1%	5911	Insecticides packed for sale	168	0.3%	43.8%
6782	"seamless"tubes and pipes;t	129	0.4%	39.4%	84629	Other under garments,knitte	168	0.3%	44.1%
09809	Food preparations,n.e.s.	126	0.4%	39.8%	59899	Other chemical products and	167	0.3%	44.5%
5542	Organic surface-active agent	123	0.4%	40.1%	77521	Refrigerators of household ty	164	0.3%	44.8%
34131	Liquefied propane and butan	123	0.4%	40.5%	7721	Elect.app.such as switches,r	159	0.3%	45.1%
00119	Bovine species other than pu	122	0.3%	40.8%	25172	Chemical wood pulp,bleache	155	0.3%	45.4%
07111	Coffee,not roasted;coffee hu	120	0.3%	41.2%	0611	Sugars,beet and cane,raw,sc	154	0.3%	45.7%
<b>Top 50</b>		<b>14,417</b>	<b>41.2%</b>		<b>Top 50</b>		<b>22,644</b>	<b>45.7%</b>	
<b>Total Trade</b>		<b>34,998</b>	<b>100%</b>		<b>Total Trade</b>		<b>49,522</b>	<b>100%</b>	

Note: Calculated at the SITC Revision 2 leaf level of aggregation.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 26c. Share of Top 50 Products in Total LAC Exports to the US, 1994 and 2002**

1994					2002				
Code	Product Description	US\$m	Share	Acc Share	Code	Product Description	US\$m	Share	Acc Share
3330	Petrol.oils & crude oils obt.fr	12,250	14.5%	14.5%	3330	Petrol.oils & crude oils obt.fr	26,320	13.5%	13.5%
7810	Passenger motor cars,for tra	3,901	4.6%	19.1%	7810	Passenger motor cars,for tra	12,735	6.5%	20.0%
7731	Insulated,elect.wire,cable,ba	2,943	3.5%	22.6%	7849	Other parts & accessories of	6,943	3.6%	23.6%
7611	Television receivers,colour	2,678	3.2%	25.7%	7611	Television receivers,colour	6,530	3.3%	26.9%
7849	Other parts & accessories of	2,321	2.7%	28.5%	7821	Motor vehicles for transport c	6,198	3.2%	30.1%
07111	Coffee,not roasted;coffee hu	1,515	1.8%	30.3%	7731	Insulated,elect.wire,cable,ba	5,790	3.0%	33.1%
7721	Elect.app.such as switches,r	1,462	1.7%	32.0%	7721	Elect.app.such as switches,r	4,828	2.5%	35.6%
85102	Footwear with outer soles of	1,319	1.6%	33.5%	7643	Radiotelegraphic & radiotele	4,509	2.3%	37.9%
7132	Int.combustion piston engine	1,263	1.5%	35.0%	7525	Peripheral units,incl.control &	3,475	1.8%	39.6%
0360	Crustaceans and molluscs,fr	1,211	1.4%	36.5%	7599	Parts of and accessories suit	2,448	1.3%	40.9%
76493	Parts of a apparatus of 761--	1,183	1.4%	37.9%	82119	Parts of the chairs and seats	2,356	1.2%	42.1%
0573	Bananas,fresh or dried	1,001	1.2%	39.0%	7641	Elect.line telephonic & telegr	2,278	1.2%	43.3%
7821	Motor vehicles for transport c	754	0.9%	39.9%	7522	Complete digital data proces	2,222	1.1%	44.4%
7628	Other radio-broadcast receiv	629	0.7%	40.7%	7923	Aircraft not exceeding an unl	1,997	1.0%	45.4%
05459	Vegetables,fresh or chilled,n	589	0.7%	41.4%	87202	Medical,surgical,veterinary ir	1,917	1.0%	46.4%
7139	Parts of int.comb.piston engi	582	0.7%	42.1%	7621	Radio-broadcast receivers fo	1,749	0.9%	47.3%
7621	Radio-broadcast receivers fo	579	0.7%	42.7%	7132	Int.combustion piston engine	1,698	0.9%	48.2%
7599	Parts of and accessories suit	565	0.7%	43.4%	84629	Other under garments,knitter	1,632	0.8%	49.0%
89399	Other articles,n.e.s.of mat.of	517	0.6%	44.0%	7139	Parts of int.comb.piston engi	1,454	0.7%	49.8%
89731	Art.of jewellery & parts of pre	501	0.6%	44.6%	8743	Instr.non electrical,for measu	1,424	0.7%	50.5%
7722	Printed circuits and parts the	491	0.6%	45.2%	7492	Taps,cocks,valves etc.for pip	1,328	0.7%	51.2%
71621	Elect.motors other than direc	488	0.6%	45.8%	05459	Vegetables,fresh or chilled,n	1,299	0.7%	51.8%
77889	Elect.parts of machinery and	486	0.6%	46.4%	71621	Elect.motors other than direc	1,241	0.6%	52.5%
87202	Medical,surgical,veterinary ir	476	0.6%	46.9%	85102	Footwear with outer soles of	1,240	0.6%	53.1%
7764	Electronic microcircuits	454	0.5%	47.5%	76493	Parts of a apparatus of 761--	1,198	0.6%	53.7%
89831	Prepared media for sound or	450	0.5%	48.0%	68212	Refined copper,unwrought	1,179	0.6%	54.3%
77883	Elect.sound & visual signallir	450	0.5%	48.5%	7523	Complete digital central proc	1,131	0.6%	54.9%
7641	Elect.line telephonic & telegr	441	0.5%	49.0%	1123	Beer made from malt (includ	1,009	0.5%	55.4%
29271	Cut flowers & buds for bouql	433	0.5%	49.5%	0573	Bananas,fresh or dried	980	0.5%	55.9%
77884	Elect.capacitors,condensers,	421	0.5%	50.0%	0360	Crustaceans and molluscs,fr	973	0.5%	56.4%
7492	Taps,cocks,valves etc.for pip	411	0.5%	50.5%	7528	Off-line data processing equi	965	0.5%	56.9%
7525	Peripheral units,incl.control &	400	0.5%	51.0%	07111	Coffee,not roasted;coffee hu	963	0.5%	57.4%
0544	Tomatoes,fresh or chilled	394	0.5%	51.5%	77832	Electr.lighting & signaling eq	906	0.5%	57.9%
82119	Parts of the chairs and seats	383	0.5%	51.9%	89399	Other articles,n.e.s.of mat.of	860	0.4%	58.3%
68212	Refined copper,unwrought	382	0.5%	52.4%	76491	Parts of apparatus of 764.1-	852	0.4%	58.8%
05851	Orange juice	354	0.4%	52.8%	81242	Lamps & lighting fittings of b	819	0.4%	59.2%
33411	Motor spirit,including aviator	349	0.4%	53.2%	29271	Cut flowers & buds for bouql	817	0.4%	59.6%
84629	Other under garments,knitter	337	0.4%	53.6%	77121	Static converters,rectifiers &	809	0.4%	60.0%
7436	Filtering & purifying mach.for	331	0.4%	54.0%	77812	Electric accumulators	792	0.4%	60.4%
67251	Blooms etc.of other than high	327	0.4%	54.4%	8931	Art.for the conveyance or pai	783	0.4%	60.8%
97101	Gold,non-monetary unwroug	326	0.4%	54.8%	7415	Air conditioning mach.self-cc	780	0.4%	61.2%
77121	Static converters,rectifiers &	313	0.4%	55.1%	7764	Electronic microcircuits	773	0.4%	61.6%
68211	Unrefined copper	307	0.4%	55.5%	67251	Blooms etc.of other than high	773	0.4%	62.0%
3343	Gas oils	303	0.4%	55.9%	7642	Microphones,loudspeakers,a	763	0.4%	62.4%
6114	Leather of other bovine cattle	303	0.4%	56.2%	77122	Inductors	762	0.4%	62.8%
8743	Instr.non electrical,for measu	288	0.3%	56.6%	7431	Air pumps,vacuum pumps &	761	0.4%	63.2%
68113	Silver,unwrought, in primary	278	0.3%	56.9%	77884	Elect.capacitors,condensers,	731	0.4%	63.6%
7643	Radiotelegraphic & radiotele	273	0.3%	57.2%	89424	Equipment for parlour,table-t	712	0.4%	63.9%
7415	Air conditioning mach.self-cc	272	0.3%	57.5%	77886	Other elect.appl.having indivi	700	0.4%	64.3%
89423	Toys,n.e.s.;working models f	261	0.3%	57.8%	97101	Gold,non-monetary unwroug	694	0.4%	64.6%
<b>Top 50</b>		<b>48,945</b>	<b>57.8%</b>				<b>126,094</b>	<b>64.6%</b>	
<b>Total Trade</b>		<b>84,634</b>	<b>100%</b>				<b>195,046</b>	<b>100%</b>	

Note: Calculated at the SITC Revision 2 leaf level of aggregation.

Source: IDB Integration and Regional Programs Department using UN-COMTRADE.

**Table 27. FDI Flows to LAC, by Investor Country, 1990-2001**

<b>Net Outflows (US\$ mn)</b>	<b>1990-1995<sup>1/</sup></b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Austria	8	7	42	92	39	105	-362
Belgium-Luxembourg	32	564	364	913	115	565	-70
Denmark	15	49	11	74	29	68	3
Finland	30	25	-7	-59	-28	-2	1
France	151	2,036	2,442	3,168	3,087	3,689	5,398
Germany	656	716	2,185	2,146	1,611	1,464	824
Italy	38	183	398	849	652	1,131	959
Netherlands	605	1,112	2,189	5,000	2,606	388	2,144
Portugal	8	347	668	4,626	1,620	2,729	909
Spain	630	1,577	6,129	9,360	26,648	20,062	10,032
Sweden	23	143	306	682	631	777	-175
United Kingdom	723	1,965	3,431	1,839	1,249	1,352	2,333
<b>EU</b>	<b>2,917</b>	<b>8,724</b>	<b>18,159</b>	<b>28,689</b>	<b>38,258</b>	<b>32,328</b>	<b>21,997</b>
Norway	—	—	—	—	—	—	—
Switzerland	161	436	335	1,331	1,199	865	439
<b>Europe</b>	<b>3,078</b>	<b>9,160</b>	<b>18,494</b>	<b>30,020</b>	<b>39,457</b>	<b>33,193</b>	<b>22,436</b>
Japan	403	780	1,094	862	1,885	48	961
USA	8,508	11,248	17,861	13,015	14,672	15,004	18,538
<b>Europe + Japan + USA</b>	<b>11,989</b>	<b>21,188</b>	<b>37,449</b>	<b>43,897</b>	<b>56,014</b>	<b>48,245</b>	<b>41,935</b>

1/ Annual Average for period 1990-1995.

Note: Net outflows excluding offshore centers and other flows.

Source: IDB Special Office in Europe on the basis of data provided by Central Banks and statistical offices.

**Table 28. FDI Flows from the EU 15 to LAC, by Destination, 1990-2001**

<b>Net Outflows (US\$ mn)</b>	<b>1990-1995<sup>1/</sup></b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Argentina	633	1,803	2,490	3,918	17,390	4,736	6,254
Bolivia	4	46	32	21	11	23	136
Brazil	857	3,834	5,370	20,544	13,029	18,610	7,448
Chile	266	542	2,131	1,837	4,871	1,160	847
Colombia	68	694	2,178	1,126	427	264	208
Costa Rica	8	11	8	20	-13	-5	14
Dominican Republic	12	14	39	42	32	-13	50
Ecuador	19	36	25	-55	-27	18	172
El Salvador	4	-2	4	18	4	-1	4
Guatemala	0	9	42	88	48	60	-4
Guyana	5	6	-2	2	-4	-9	-3
Haiti	0	0	0	0	1		-1
Honduras	1	3	15	0	3	11	5
Jamaica	65	60	115	0	1	-88	—
Mexico	443	681	3,149	1,337	1,744	5,047	3,418
Nicaragua	1	1	0	6	7	2	5
Paraguay	7	2	14	166	51	4	2
Peru	303	353	209	11	-11	-116	71
Suriname	0	5	7	-2	2	-2	—
Trinidad and Tobago	30	45	57	194	9	21	562
Uruguay	30	72	11	19	120	97	846
Venezuela	160	509	2,264	-604	563	2,510	1,959
<b>Total Countries</b>	<b>2,917</b>	<b>8,724</b>	<b>18,159</b>	<b>28,689</b>	<b>38,258</b>	<b>32,328</b>	<b>21,997</b>
Andean Community	554	1,637	4,708	499	963	2,699	2,546
Central America	15	22	69	131	49	67	26
Mercosur	1,527	5,712	7,884	24,648	30,590	23,437	14,541
<b>Offshore Centers</b>	<b>1,975</b>	<b>1,804</b>	<b>3,045</b>	<b>1,430</b>	<b>6,503</b>	<b>5,090</b>	<b>6,424</b>
<b>Other Flows/Countries</b>	<b>637</b>	<b>923</b>	<b>655</b>	<b>1,545</b>	<b>3,714</b>	<b>3,938</b>	<b>412</b>
<b>Total LAC</b>	<b>5,529</b>	<b>11,451</b>	<b>21,858</b>	<b>31,664</b>	<b>48,475</b>	<b>41,356</b>	<b>28,833</b>

1/ Annual Average for period 1990-1995.

Source: IDB Special Office in Europe on the basis of data provided by European Central Banks and statistical offices.

**Table 29. FDI Flows from the United States to LAC, by Destination, 1990-2001**

<b>Net Outflows (US\$ mn)</b>	<b>1990-1995<sup>1/</sup></b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
Argentina	953	371	1,701	983	2,253	674	-421
Bolivia	33	-153	297	83	-199	22	116
Brazil	2,922	4,159	7,138	4,382	3,484	3,091	-17
Chile	665	1,860	926	324	214	352	2,834
Colombia	177	120	746	-66	417	816	-104
Costa Rica	59	362	316	607	-550	344	-16
Dominican Republic	67	66	91	75	47	215	–
Ecuador	89	32	-269	233	134	-282	-66
El Salvador	4	42	46	309	158	29	-84
Guatemala	15	100	24	204	95	58	-372
Guyana	8	15	6	-8	10	-46	8
Haiti	2	3	10	–	–	-25	-3
Honduras	-7	-26	43	-53	163	60	-163
Jamaica	127	292	264	215	319	144	-44
Mexico	2,568	2,405	5,596	4,593	5,978	5,302	15,305
Nicaragua	–	-2	56	19	10	12	28
Paraguay	6	22	43	58	23	203	5
Peru	39	700	241	50	854	101	120
Suriname	14	16	55	-96	-21	-7	12
Trinidad and Tobago	52	50	-214	395	261	-27	–
Uruguay	16	39	77	86	36	137	40
Venezuela	702	775	668	622	986	3,831	1,360
<b>Total Countries</b>	<b>8,508</b>	<b>11,248</b>	<b>17,861</b>	<b>13,015</b>	<b>14,672</b>	<b>15,004</b>	<b>18,538</b>
Andean Community	1,040	1,474	1,683	922	2,192	4,488	1,426
Central America	70	476	485	1,086	-124	503	-607
Mercosur	3,896	4,591	8,959	5,509	5,796	4,105	-393
<b>Offshore Centers</b>	<b>4,034</b>	<b>6,797</b>	<b>3,467</b>	<b>3,784</b>	<b>19,451</b>	<b>8,608</b>	<b>7,380</b>
<b>Other Flows/Countries</b>	<b>17</b>	<b>93</b>	<b>211</b>	<b>-107</b>	<b>137</b>	<b>-160</b>	<b>606</b>
<b>Total LAC</b>	<b>12,558</b>	<b>18,138</b>	<b>21,539</b>	<b>16,692</b>	<b>34,260</b>	<b>23,452</b>	<b>26,524</b>

1/ Annual Average for period 1990-1995.

Source: IDB Special Office in Europe on the basis of data provided by the United States Department of Commerce / Bureau of Economic Analysis.

**Table 30. Net Disbursements of ODA to LAC, by Donor, 1994-2002**

	Amount (2001 Prices - \$ Million) <sup>1/</sup>										AAGR (%)		Shares (%) of Total ODA										Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02		1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02	
Austria	24	23	21	17	22	24	18	80	14	-0.4	-16.0		0.5	0.5	0.5	0.4	0.5	0.5	0.5	1.5	0.3	0.6	
Belgium	39	72	73	47	54	44	41	36	48	2.8	2.8		0.8	1.6	1.6	1.1	1.3	1.0	1.1	0.7	1.1	1.2	
Denmark	29	32	51	53	62	60	69	67	77	15.5	8.9		0.6	0.7	1.1	1.3	1.5	1.4	1.9	1.3	1.8	1.3	
Finland	6	9	6	8	8	12	11	11	13	13.5	2.9		0.1	0.2	0.1	0.2	0.2	0.3	0.3	0.2	0.3	0.2	
France	164	184	172	136	129	129	95	99	143	-4.8	3.6		3.6	4.0	3.8	3.3	3.1	3.0	2.6	1.9	3.3	3.2	
Germany	342	399	588	363	350	306	305	307	299	-2.2	-0.8		7.5	8.6	13.1	8.9	8.6	7.1	8.4	5.9	6.9	8.3	
Greece	-	-	-	0.1	0.5	0.3	0.3	0.4	0.1	-	-34.9		-	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Ireland	1	2	3	3	3	5	6	6	8	37.5	17.1		0.0	0.0	0.1	0.1	0.1	0.1	0.2	0.1	0.2	0.1	
Italy	240	65	82	27	103	-1	-14	-20	12	-	-		5.3	1.4	1.8	0.7	2.5	0.0	-0.4	-0.4	0.3	1.3	
Luxembourg	7	5	7	9	12	19	17	14	15	20.7	-6.6		0.2	0.1	0.2	0.2	0.3	0.4	0.5	0.3	0.3	0.3	
Netherlands	219	260	271	267	265	129	133	254	194	-10.1	14.6		4.8	5.6	6.0	6.6	6.5	3.0	3.6	4.9	4.5	5.1	
Portugal	0	1	1	0	1	1	1	2	2	15.8	26.8		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Spain	321	259	260	188	245	238	234	641	322	-5.8	10.6		7.0	5.6	5.8	4.6	6.0	5.5	6.4	12.4	7.5	6.9	
Sweden	81	81	78	70	56	97	121	112	94	3.6	-1.0		1.8	1.8	1.7	1.7	1.4	2.2	3.3	2.2	2.2	2.0	
UK	91	122	78	211	99	204	151	111	188	17.6	-2.8		2.0	2.6	1.7	5.2	2.4	4.7	4.1	2.2	4.3	3.2	
EU Members	1,565	1,514	1,689	1,399	1,408	1,266	1,188	1,718	1,429	-4.2	4.1		34.3	32.8	37.7	34.4	34.5	29.2	32.7	33.3	33.1	33.6	
EC	327	432	422	381	452	371	298	500	244	2.6	-13.1		7.2	9.4	9.4	9.4	11.1	8.6	8.2	9.7	5.6	8.7	
EU + EC	1,892	1,946	2,111	1,780	1,859	1,637	1,486	2,218	1,672	-2.9	0.7		41.5	42.1	47.1	43.8	45.5	37.8	40.9	43.0	38.7	42.3	
United States	1,189	871	388	581	522	637	613	1,087	1,043	-11.7	17.8		26.1	18.9	8.7	14.3	12.8	14.7	16.9	21.1	24.1	17.7	
Japan	654	829	836	665	546	723	684	734	615	2.0	-5.2		14.3	17.9	18.7	16.4	13.4	16.7	18.8	14.2	14.2	16.0	
Canada	114	108	105	114	109	117	85	103	113	0.5	-1.1		2.5	2.3	2.3	2.8	2.7	2.7	2.3	2.0	2.6	2.5	
Multilateral	888	1,156	1,280	1,134	1,344	1,441	914	1,344	971	10.2	-12.3		19.5	25.0	28.6	27.9	32.9	33.3	25.1	26.1	22.5	26.7	
ALL Donors	4,558	4,620	4,482	4,062	4,083	4,329	3,635	5,156	4,321	-1.0	-0.1		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

	Share (%) in EU + EC ODA to LAC									Avg
Memo:	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02
Belgium	2.0	3.7	3.4	2.6	2.9	2.7	2.7	1.6	2.9	2.7
Denmark	1.5	1.6	2.4	3.0	3.3	3.7	4.6	3.0	4.6	3.0
France	8.7	9.5	8.1	7.6	6.9	7.9	6.4	4.5	8.5	7.5
Germany	18.1	20.5	27.9	20.4	18.8	18.7	20.6	13.8	17.9	19.6
Italy	12.7	3.3	3.9	1.5	5.5	-0.1	-0.9	-0.9	0.7	3.0
Netherlands	11.6	13.3	12.8	15.0	14.2	7.9	8.9	11.4	11.6	12.0
Spain	17.0	13.3	12.3	10.6	13.2	14.6	15.8	28.9	19.3	16.3
Sweden	4.3	4.2	3.7	4.0	3.0	5.9	8.2	5.0	5.6	4.8
UK	4.8	6.3	3.7	11.9	5.3	12.5	10.1	5.0	11.2	7.6
Others <sup>2/</sup>	2.1	2.0	1.8	2.1	2.5	3.7	3.5	5.1	3.1	2.9
EC	17.3	22.2	20.0	21.4	24.3	22.7	20.1	22.5	14.6	20.6
EU + EC	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1/ Values are deflated to 2001 prices.

2/ Others includes Austria, Finland, Greece, Ireland, Luxembourg and Portugal.

Source: IDB Integration and Regional Programs Department using OECD International Development Statistics (IDS).



**Table 31. Net Disbursements of ODA to All Countries<sup>1/</sup>, by Donor, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) of Total ODA to All Countries										Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02	
Austria	353	453	411	347	367	381	412	603	475	1.5	7.6	0.6	0.8	0.8	0.7	0.7	0.7	0.7	1.0	0.7	0.7	
Belgium	366	377	403	379	455	384	477	507	673	1.0	20.5	0.6	0.7	0.8	0.8	0.8	0.7	0.8	0.9	1.0	0.8	
Denmark	779	788	899	946	976	1,018	1,133	1,147	1,062	5.5	1.4	1.3	1.4	1.7	1.9	1.8	1.8	2.0	2.0	1.6	1.7	
Finland	225	193	205	216	222	248	252	257	266	2.0	2.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	
France	5,693	4,916	4,512	4,186	3,863	3,827	3,858	3,607	4,370	-7.6	4.5	9.3	8.9	8.6	8.5	7.1	6.8	6.8	6.1	6.5	7.6	
Germany	4,845	6,121	3,866	3,217	3,056	2,994	2,868	3,098	3,361	-9.2	3.9	7.9	11.1	7.3	6.5	5.6	5.3	5.1	5.3	5.0	6.5	
Greece	-	-	22	38	65	75	108	89	113	-	14.6	-	-	0.0	0.1	0.1	0.1	0.2	0.2	0.2	0.1	
Ireland	59	82	103	110	113	137	158	185	243	18.5	20.9	0.1	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.4	0.2	
Italy	1,707	727	658	396	599	404	589	463	932	-25.0	32.1	2.8	1.3	1.2	0.8	1.1	0.7	1.0	0.8	1.4	1.3	
Lux.	38	36	46	60	69	81	101	110	113	16.5	11.9	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	0.2	0.1	
Netherlands	1,499	1,826	1,812	1,922	2,032	2,013	2,506	2,321	2,372	6.1	5.6	2.5	3.3	3.4	3.9	3.7	3.6	4.4	4.0	3.5	3.6	
Portugal	199	137	130	148	158	189	182	184	170	-1.1	-3.4	0.3	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3	
Spain	776	656	704	683	751	763	741	1,164	919	-0.4	6.4	1.3	1.2	1.3	1.4	1.4	1.4	1.3	2.0	1.4	1.4	
Sweden	1,207	957	1,052	1,017	916	1,024	1,230	1,318	1,253	-3.2	7.0	2.0	1.7	2.0	2.1	1.7	1.8	2.2	2.2	1.9	2.0	
UK	2,109	1,972	2,016	2,056	2,100	2,184	2,724	2,708	3,343	0.7	15.2	3.5	3.6	3.8	4.2	3.8	3.9	4.8	4.6	5.0	4.1	
EU	19,855	19,241	16,839	15,721	15,744	15,720	17,340	17,761	19,663	-4.6	7.7	32.5	35.0	32.0	31.8	28.8	28.0	30.6	30.3	29.4	30.9	
EC	5,050	4,565	5,169	5,600	6,357	6,752	7,180	8,200	8,680	6.0	8.7	8.3	8.3	9.8	11.3	11.6	12.0	12.7	14.0	13.0	11.3	
EU+ EC	24,905	23,806	22,008	21,322	22,100	22,472	24,520	25,961	28,343	-2.0	8.0	40.8	43.3	41.8	43.1	40.5	40.1	43.3	44.3	42.3	42.1	
US	10,983	7,688	9,333	8,002	9,226	10,756	10,099	9,743	12,670	-0.4	5.6	18.0	14.0	17.7	16.2	16.9	19.2	17.8	16.6	18.9	17.3	
Japan	7,670	7,735	7,137	6,261	8,858	9,509	8,450	7,482	7,074	4.4	-9.4	12.6	14.1	13.6	12.6	16.2	17.0	14.9	12.8	10.6	13.7	
Canada	1,449	1,560	1,457	1,350	1,411	1,346	1,284	1,351	1,611	-1.5	6.2	2.4	2.8	2.8	2.7	2.6	2.4	2.3	2.3	2.4	2.5	
Multilateral	17,795	15,833	14,986	15,050	16,100	15,533	16,064	18,861	20,589	-2.7	9.8	29.2	28.8	28.5	30.4	29.5	27.7	28.4	32.2	30.8	29.5	
ALL Donors	61,013	55,021	52,663	49,508	54,607	56,084	56,651	58,662	66,952	-1.7	6.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

<b>Memo (%):<sup>2/</sup></b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>
<b>Share in total ODA to the world:</b>									
Dev'ping Co.	89.4	87.9	90.8	88.8	87.7	86.4	85.8	88.8	88.9
Total LAC	7.5	8.4	8.5	8.2	7.5	7.7	6.4	8.8	6.5
Trans. Econ.	10.6	12.1	9.2	11.2	12.3	13.6	14.2	11.2	11.1
Total EU-10	3.9	5.5	3.0	2.8	3.4	3.9	4.5	4.0	3.8
<b>Share in total EU + EC ODA to the world:</b>									
Dev'ping Co.	86.3	80.4	88.3	89.6	85.3	84.7	79.5	82.3	83.4
Total LAC	7.6	8.2	9.6	8.3	8.4	7.3	6.1	8.5	5.9
Trans. Econ.	13.7	19.6	11.7	10.4	14.7	15.3	20.5	17.7	16.6
Total EU-10	4.7	11.2	5.5	5.4	7.1	8.8	9.6	8.2	8.5
<b>Share in total US ODA to the world:</b>									
Dev'ping Co.	75.6	81.4	81.1	66.3	68.8	66.5	75.1	85.0	82.5
Total LAC	10.8	11.3	4.2	7.3	5.7	5.9	6.1	11.2	8.2
Trans. Econ.	24.4	18.6	18.9	33.7	31.2	33.5	24.9	15.0	17.5
Total EU-10	9.2	0.4	1.1	0.5	0.7	0.7	0.5	0.3	0.1

1/ All Countries means both Developing Countries and Countries in Transition as defined by Development Assistance Committee (DAC).

2/ Calculated using values in 2001 prices (US\$ mn); world signifies developing countries and countries in transition, not multilaterals.

Source: IDB Integration and Regional Programs Department using OECD IDS.

**Table 32. Net Disbursements of ODA to LAC, by Recipient Country, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) in LAC Total										Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02	
Argentina	128	108	108	93	77	90	71	151	3	-6.8	-68.4	2.8	2.3	2.4	2.3	1.9	2.1	1.9	2.9	0.1	2.1	
Bahamas	1	4	2	3	19	10	6	8	5	63.5	-19.1	0.0	0.1	0.0	0.1	0.5	0.2	0.2	0.2	0.1	0.1	
Barbados	-1	-1	3	3	13	-2	0	-1	3	-14.4	-	0.0	0.0	0.1	0.1	0.3	0.0	0.0	0.0	0.1	0.0	
Belize	29	17	20	13	14	43	14	22	21	8.3	-21.2	0.6	0.4	0.4	0.3	0.3	1.0	0.4	0.4	0.5	0.5	
Bolivia	515	596	691	654	582	529	465	735	651	0.5	7.2	11.3	12.9	15.4	16.1	14.3	12.2	12.8	14.3	15.1	13.8	
Brazil	213	208	231	256	311	144	295	349	365	-7.5	36.3	4.7	4.5	5.2	6.3	7.6	3.3	8.1	6.8	8.5	6.0	
Chile	119	99	152	112	95	61	45	58	-27	-12.7	-	2.6	2.1	3.4	2.8	2.3	1.4	1.2	1.1	-0.6	1.8	
Colombia	57	138	154	177	161	298	188	381	428	39.0	12.8	1.3	3.0	3.4	4.4	3.9	6.9	5.2	7.4	9.9	5.1	
Costa Rica	67	21	-22	-13	22	-12	11	2	3	-	-	1.5	0.5	-0.5	-0.3	0.5	-0.3	0.3	0.0	0.1	0.2	
Dom. Rep.	55	89	81	59	108	180	58	108	151	26.9	-5.7	1.2	1.9	1.8	1.5	2.7	4.2	1.6	2.1	3.5	2.3	
Ecuador	190	179	205	139	165	136	145	173	208	-6.4	15.2	4.2	3.9	4.6	3.4	4.0	3.1	4.0	3.4	4.8	3.9	
El Salvador	302	265	265	265	171	171	172	238	223	-10.8	9.3	6.6	5.7	5.9	6.5	4.2	4.0	4.7	4.6	5.2	5.3	
Guatemala	204	174	155	241	217	271	254	227	239	5.8	-4.1	4.5	3.8	3.5	5.9	5.3	6.3	7.0	4.4	5.5	5.0	
Guyana	75	75	125	253	88	75	105	97	62	0.0	-6.1	1.7	1.6	2.8	6.2	2.1	1.7	2.9	1.9	1.4	2.4	
Haiti	670	699	322	306	380	253	206	171	151	-17.7	-15.7	14.7	15.1	7.2	7.5	9.3	5.8	5.7	3.3	3.5	8.0	
Honduras	271	335	306	272	301	757	438	679	425	22.8	-17.5	5.9	7.3	6.8	6.7	7.4	17.5	12.0	13.2	9.8	9.6	
Jamaica	108	95	43	57	17	-21	10	54	22	-	-	2.4	2.1	1.0	1.4	0.4	-0.5	0.3	1.0	0.5	1.0	
Mexico	361	287	249	96	33	34	-43	75	132	-37.6	56.9	7.9	6.2	5.5	2.4	0.8	0.8	-1.2	1.4	3.1	3.1	
Nicaragua	544	506	726	374	558	620	543	931	495	2.7	-7.2	11.9	10.9	16.2	9.2	13.7	14.3	14.9	18.0	11.5	13.5	
Panama	28	32	40	41	18	11	15	28	34	-16.8	44.9	0.6	0.7	0.9	1.0	0.4	0.3	0.4	0.5	0.8	0.6	
Paraguay	78	105	74	97	71	71	75	61	56	-1.9	-7.3	1.7	2.3	1.7	2.4	1.7	1.6	2.1	1.2	1.3	1.8	
Peru	311	315	279	368	474	425	378	453	480	6.4	4.1	6.8	6.8	6.2	9.1	11.6	9.8	10.4	8.8	11.1	8.9	
Suriname	55	61	87	68	53	33	33	23	11	-9.7	-31.0	1.2	1.3	1.9	1.7	1.3	0.8	0.9	0.4	0.2	1.1	
Trin. & Tob.	19	20	14	29	12	23	-2	-2	-6	4.1	-	0.4	0.4	0.3	0.7	0.3	0.5	0.0	0.0	-0.1	0.3	
Uruguay	65	52	27	30	23	20	17	15	13	-21.1	-12.9	1.4	1.1	0.6	0.7	0.6	0.5	0.5	0.3	0.3	0.7	
Venezuela	23	33	30	8	38	40	76	45	54	11.9	10.7	0.5	0.7	0.7	0.2	0.9	0.9	2.1	0.9	1.3	0.9	
OECS	73	107	115	60	62	70	59	75	118	-0.7	18.9	1.6	2.3	2.6	1.5	1.5	1.6	1.6	1.5	2.7	1.9	
And. Comm.	1,096	1,261	1,360	1,346	1,420	1,428	1,252	1,787	1,821	5.4	8.4	24.1	27.3	30.3	33.1	34.8	33.0	34.4	34.7	42.1	32.5	
Mercosur	484	473	440	477	481	325	457	577	437	-7.7	10.5	10.6	10.2	9.8	11.7	11.8	7.5	12.6	11.2	10.1	10.6	
CACM	1,387	1,300	1,430	1,139	1,269	1,807	1,418	2,076	1,386	5.4	-8.5	30.4	28.2	31.9	28.0	31.1	41.7	39.0	40.3	32.1	33.7	
CARICOM	1,028	1,077	731	792	657	484	432	448	388	-14.0	-7.1	22.6	23.3	16.3	19.5	16.1	11.2	11.9	8.7	9.0	15.4	
LAC Total	4,558	4,620	4,482	4,062	4,083	4,329	3,635	5,156	4,321	-1.0	-0.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: IDB Integration and Regional Programs Department using OECD IDS.

**Table 33. Net Disbursements of EU + EC ODA to LAC, by Recipient Country, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) in LAC Total										Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02	
Argentina	113	71	64	40	26	18	17	123	-40	-31.0	-231.2	6.0	3.6	3.0	2.2	1.4	1.1	1.1	5.5	-2.4	2.6	
Bahamas	-0.2	1.3	-1.1	1.5	18.7	8.7	0.0	-0.1	-3.7	-	-	0.0	0.1	-0.1	0.1	1.0	0.5	0.0	0.0	-0.2	0.2	
Barbados	2.4	1.0	4.9	5.6	15.1	-0.05	2.1	-1.7	3.1	-	-	0.1	0.0	0.2	0.3	0.8	0.0	0.1	-0.1	0.2	0.2	
Belize	20	7	7	6	6	41	9	14	13	15.5	-31.0	1.1	0.4	0.4	0.3	0.3	2.5	0.6	0.6	0.8	0.7	
Bolivia	176	259	298	198	246	222	199	355	286	4.7	8.7	9.3	13.3	14.1	11.1	13.3	13.6	13.4	16.0	17.1	13.5	
Brazil	114	100	119	119	113	113	119	183	155	-0.2	11.1	6.0	5.1	5.7	6.7	6.1	6.9	8.0	8.2	9.3	6.8	
Chile	116	102	103	67	57	40	41	41	31	-19.3	-7.9	6.1	5.2	4.9	3.8	3.1	2.4	2.8	1.8	1.9	3.6	
Colombia	72	84	92	101	65	75	65	89	102	0.6	11.1	3.8	4.3	4.3	5.7	3.5	4.6	4.4	4.0	6.1	4.5	
Costa Rica	49	39	39	30	44	30	42	37	25	-9.0	-6.6	2.6	2.0	1.8	1.7	2.3	1.9	2.8	1.7	1.5	2.0	
Dom. Rep.	29	44	36	48	69	113	45	42	102	30.9	-3.5	1.6	2.2	1.7	2.7	3.7	6.9	3.0	1.9	6.1	3.2	
Ecuador	99	83	113	88	89	79	65	66	95	-4.6	6.7	5.3	4.3	5.3	4.9	4.8	4.8	4.4	3.0	5.7	4.7	
El Salvador	74	72	79	71	75	69	77	127	127	-1.3	22.1	3.9	3.7	3.8	4.0	4.0	4.2	5.2	5.7	7.6	4.6	
Guatemala	55	67	82	112	108	112	110	96	106	15.4	-2.0	2.9	3.4	3.9	6.3	5.8	6.9	7.4	4.3	6.3	5.1	
Guyana	22	18	23	163	41	23	44	29	18	0.9	-6.8	1.1	0.9	1.1	9.1	2.2	1.4	3.0	1.3	1.1	2.3	
Haiti	34	138	84	69	147	56	36	45	44	10.8	-7.9	1.8	7.1	4.0	3.9	7.9	3.4	2.5	2.0	2.6	3.9	
Honduras	75	89	49	72	99	155	150	130	111	15.6	-10.6	4.0	4.6	2.3	4.0	5.3	9.5	10.1	5.8	6.6	5.6	
Jamaica	49	43	36	62	16	0.4	39	42	20	-62.0	273.2	2.6	2.2	1.7	3.5	0.8	0.0	2.6	1.9	1.2	1.9	
Mexico	197	59	31	37	47	36	2	28	16	-28.8	-24.4	10.4	3.0	1.5	2.1	2.5	2.2	0.1	1.3	0.9	2.7	
Nicaragua	251	283	483	144	188	183	193	557	185	-6.2	0.5	13.3	14.5	22.9	8.1	10.1	11.2	13.0	25.1	11.1	14.8	
Panama	9	14	15	15	26	25	20	15	24	23.0	-1.6	0.5	0.7	0.7	0.8	1.4	1.5	1.3	0.7	1.4	1.0	
Paraguay	12	27	15	33	31	28	16	23	20	17.7	-10.7	0.6	1.4	0.7	1.9	1.6	1.7	1.1	1.0	1.2	1.2	
Peru	149	136	134	168	211	101	95	108	177	-7.4	20.4	7.9	7.0	6.3	9.4	11.3	6.2	6.4	4.9	10.6	7.7	
Suriname	46	53	83	65	43	29	21	19	10	-9.1	-30.5	2.4	2.7	3.9	3.6	2.3	1.8	1.4	0.9	0.6	2.2	
Trin. & Tob.	15	16	10	26	10	20	-5	-9	-13	6.6	-	0.8	0.8	0.5	1.5	0.6	1.2	-0.3	-0.4	-0.8	0.4	
Uruguay	50	39	19	15	15	13	11	8	5	-24.0	-24.5	2.6	2.0	0.9	0.8	0.8	0.8	0.7	0.4	0.3	1.1	
Venezuela	14	25	18	-6	20	27	57	24	32	14.4	5.7	0.7	1.3	0.9	-0.3	1.1	1.6	3.8	1.1	1.9	1.3	
OECS	49	78	75	30	34	22	15	31	24	-15.0	2.4	2.6	4.0	3.5	1.7	1.8	1.3	1.0	1.4	1.4	2.1	
And. Comm.	511	587	655	549	631	504	482	641	692	-0.3	11.2	27.0	30.1	31.0	30.9	34.0	30.8	32.4	28.9	41.4	31.6	
Mercosur	289	237	218	207	184	171	163	336	140	-10.0	-6.4	15.3	12.2	10.3	11.6	9.9	10.4	10.9	15.1	8.4	11.7	
CACM	503	549	731	429	513	550	572	946	553	1.8	0.2	26.6	28.2	34.6	24.1	27.6	33.6	38.5	42.7	33.1	32.2	
CARICOM	237	355	322	427	331	199	162	169	115	-3.4	-16.7	12.5	18.2	15.3	24.0	17.8	12.2	10.9	7.6	6.9	14.0	
LAC Total	1,892	1,946	2,111	1,780	1,859	1,637	1,486	2,218	1,672	-2.9	0.7	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: IDB Integration and Regional Programs Department using OECD IDS.

**Table 34. Net Disbursements of EC ODA to LAC, by Recipient Country, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) in LAC Total										Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02	
Argentina	4.5	20.6	14.3	11.8	20.0	24.8	10.2	129.9	-72.4	40.8	-242.8	1.4	4.8	3.4	3.1	4.4	6.7	3.4	26.0	-29.7	4.8	
Bahamas	-0.3	1.2	-1.3	1.5	18.5	8.6	0.0	-0.1	-3.7	-	-	-0.1	0.3	-0.3	0.4	4.1	2.3	0.0	0.0	-1.5	0.7	
Barbados	1.7	0.1	4.4	4.9	14.7	-0.8	1.8	-2.2	1.7	-	-	0.5	0.0	1.0	1.3	3.2	-0.2	0.6	-0.4	0.7	0.8	
Belize	7.8	2.5	0.6	3.8	4.3	6.2	6.8	5.8	2.2	-4.6	-29.1	2.4	0.6	0.1	1.0	1.0	1.7	2.3	1.2	0.9	1.2	
Bolivia	24.3	18.2	27.1	30.8	25.0	26.3	25.2	26.7	21.0	1.6	-7.3	7.4	4.2	6.4	8.1	5.5	7.1	8.5	5.3	8.6	6.6	
Brazil	21.1	21.2	23.5	14.4	15.0	26.4	16.9	69.7	57.2	4.5	29.5	6.5	4.9	5.6	3.8	3.3	7.1	5.7	13.9	23.5	7.7	
Chile	14.7	9.3	8.0	10.0	5.1	3.8	5.4	7.9	-7.0	-23.6	-	4.5	2.1	1.9	2.6	1.1	1.0	1.8	1.6	-2.9	1.7	
Colombia	10.5	10.8	19.5	11.3	8.8	15.4	14.5	15.7	16.1	8.0	1.5	3.2	2.5	4.6	3.0	2.0	4.2	4.9	3.1	6.6	3.6	
Costa Rica	3.5	7.3	4.4	2.7	2.1	2.5	1.1	1.3	1.3	-6.8	-18.7	1.1	1.7	1.0	0.7	0.5	0.7	0.4	0.3	0.5	0.8	
Dom. Rep.	14.7	11.6	12.4	22.2	32.0	24.8	12.8	14.0	30.0	11.0	6.7	4.5	2.7	2.9	5.8	7.1	6.7	4.3	2.8	12.3	5.1	
Ecuador	7.7	9.2	7.3	8.9	11.7	11.4	7.0	5.7	8.7	8.0	-8.5	2.4	2.1	1.7	2.3	2.6	3.1	2.4	1.1	3.6	2.3	
El Salvador	21.6	17.5	23.1	14.9	18.7	12.2	14.4	15.9	21.7	-10.8	21.3	6.6	4.0	5.5	3.9	4.1	3.3	4.8	3.2	8.9	4.7	
Guatemala	15.4	14.9	23.5	22.9	27.9	31.8	20.8	20.3	29.8	15.7	-2.2	4.7	3.5	5.6	6.0	6.2	8.6	7.0	4.1	12.2	6.0	
Guyana	7.3	7.0	9.1	5.5	7.6	4.4	7.3	8.7	1.9	-9.7	-24.5	2.2	1.6	2.2	1.5	1.7	1.2	2.4	1.7	0.8	1.7	
Haiti	11.8	66.0	52.0	35.8	40.1	30.9	11.1	15.8	14.3	21.2	-22.7	3.6	15.3	12.3	9.4	8.9	8.3	3.7	3.2	5.9	8.1	
Honduras	5.9	13.3	9.2	6.3	10.2	13.7	18.1	14.7	22.2	18.4	17.4	1.8	3.1	2.2	1.7	2.3	3.7	6.1	2.9	9.1	3.3	
Jamaica	34.1	24.9	41.0	63.4	15.5	4.4	32.7	41.0	14.5	-33.5	48.3	10.4	5.8	9.7	16.6	3.4	1.2	10.9	8.2	5.9	7.9	
Mexico	13.0	6.5	6.6	6.3	5.3	6.6	4.2	20.5	5.5	-12.7	-6.0	4.0	1.5	1.6	1.6	1.2	1.8	1.4	4.1	2.2	2.2	
Nicaragua	19.4	24.4	33.9	25.6	25.9	23.4	42.6	31.2	31.3	3.8	10.2	5.9	5.6	8.0	6.7	5.7	6.3	14.3	6.2	12.9	7.5	
Panama	3.3	5.2	3.2	4.4	3.2	4.5	3.1	3.0	13.5	6.3	44.4	1.0	1.2	0.8	1.2	0.7	1.2	1.1	0.6	5.5	1.3	
Paraguay	3.6	7.6	2.2	3.9	4.3	5.2	4.9	8.0	10.0	8.0	24.2	1.1	1.8	0.5	1.0	0.9	1.4	1.6	1.6	4.1	1.4	
Peru	35.4	27.0	28.8	18.7	80.0	35.0	24.0	21.4	10.5	-0.2	-33.0	10.8	6.3	6.8	4.9	17.7	9.4	8.0	4.3	4.3	8.2	
Suriname	1.7	3.9	4.0	4.4	4.1	2.5	2.1	1.3	2.1	8.4	-6.0	0.5	0.9	0.9	1.1	0.9	0.7	0.7	0.3	0.9	0.8	
Trin. & Tob.	17.1	18.3	12.0	28.4	13.8	22.4	-6.6	-10.6	-14.0	5.5	-	5.2	4.2	2.9	7.4	3.1	6.0	-2.2	-2.1	-5.7	2.4	
Uruguay	2.6	5.5	2.7	2.5	3.2	3.1	2.5	2.0	2.4	3.4	-8.1	0.8	1.3	0.6	0.6	0.7	0.8	0.8	0.4	1.0	0.8	
Venezuela	1.9	9.3	4.1	3.0	6.1	3.8	8.7	4.8	7.8	15.3	26.9	0.6	2.2	1.0	0.8	1.3	1.0	2.9	1.0	3.2	1.4	
OECS	22.4	68.9	46.1	13.0	28.6	18.0	6.8	27.8	15.1	-4.3	-5.6	6.9	15.9	10.9	3.4	6.3	4.8	2.3	5.6	6.2	7.2	
And. Comm.	79.8	74.6	86.9	72.7	131.6	91.8	79.5	74.2	64.0	2.9	-11.3	24.4	17.2	20.6	19.1	29.1	24.7	26.6	14.9	26.3	22.0	
Mercosur	31.8	55.0	42.6	32.6	42.5	59.5	34.5	209.5	-2.7	13.4	-135.8	9.7	12.7	10.1	8.5	9.4	16.0	11.6	41.9	-1.1	14.7	
CACM	65.8	77.5	94.1	72.4	84.9	83.6	96.9	83.4	106.2	4.9	8.3	20.1	17.9	22.3	19.0	18.8	22.5	32.5	16.7	43.6	22.3	
CARICOM	103.7	192.9	168.0	160.6	147.2	96.7	61.9	87.5	34.1	-1.4	-29.3	31.8	44.6	39.8	42.1	32.6	26.0	20.7	17.5	14.0	30.7	
LAC Total	326.7	432.4	421.7	381.2	451.8	371.2	298.3	499.8	243.7	2.6	-13.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: IDB Integration and Regional Programs Department using OECD IDS.

**Table 35. Net Disbursements of German ODA to LAC, by Recipient Country, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) in LAC Total										Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02	
Argentina	25.0	14.1	7.4	8.8	14.7	9.9	7.3	9.2	12.2	-17.0	7.4	7.3	3.5	1.3	2.4	4.2	3.2	2.4	3.0	4.1	3.3	
Bahamas	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-	0.0	-	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-	0.0	
Barbados	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.1	0.0	38.0	-26.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Belize	0.3	0.1	0.1	0.1	0.1	0.1	0.2	0.1	0.1	-15.6	-16.4	0.1	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	
Bolivia	54.1	47.3	74.2	38.8	50.7	50.0	44.7	51.7	67.3	-1.6	10.4	15.8	11.9	12.6	10.7	14.5	16.3	14.6	16.8	22.5	14.7	
Brazil	27.5	21.4	28.0	42.2	47.3	40.5	48.8	47.0	29.8	8.0	-9.7	8.0	5.4	4.8	11.6	13.5	13.2	16.0	15.3	10.0	10.2	
Chile	33.4	30.6	30.6	27.6	32.4	25.2	21.6	18.0	17.5	-5.5	-11.4	9.8	7.7	5.2	7.6	9.3	8.2	7.1	5.9	5.9	7.3	
Colombia	13.6	14.0	23.0	26.1	19.9	19.1	12.9	15.0	20.0	6.9	1.6	4.0	3.5	3.9	7.2	5.7	6.2	4.2	4.9	6.7	5.0	
Costa Rica	11.1	0.9	1.6	-4.4	1.2	-2.0	1.4	0.7	2.9	-	-	3.2	0.2	0.3	-1.2	0.3	-0.6	0.4	0.2	1.0	0.4	
Dom. Rep.	3.2	5.4	5.0	5.5	7.0	9.2	9.1	8.2	7.4	23.8	-6.9	0.9	1.4	0.8	1.5	2.0	3.0	3.0	2.7	2.5	1.8	
Ecuador	17.2	19.3	19.3	13.1	8.8	12.3	11.1	13.7	15.3	-6.4	7.5	5.0	4.8	3.3	3.6	2.5	4.0	3.6	4.5	5.1	4.0	
El Salvador	23.5	30.2	26.6	21.0	16.0	16.8	14.3	25.8	14.2	-6.5	-5.5	6.9	7.6	4.5	5.8	4.6	5.5	4.7	8.4	4.7	5.8	
Guatemala	14.1	18.9	20.9	25.9	19.8	19.2	18.5	15.5	17.8	6.4	-2.6	4.1	4.7	3.5	7.1	5.7	6.3	6.0	5.1	5.9	5.2	
Guyana	0.3	1.1	0.9	8.6	0.7	0.5	0.5	1.6	0.2	6.4	-21.2	0.1	0.3	0.2	2.4	0.2	0.1	0.1	0.5	0.1	0.4	
Haiti	1.2	4.3	3.4	4.2	5.6	5.1	4.2	4.7	4.0	33.9	-8.0	0.3	1.1	0.6	1.2	1.6	1.7	1.4	1.5	1.3	1.1	
Honduras	11.9	9.7	11.1	19.6	16.3	36.7	17.1	17.3	12.5	25.4	-30.1	3.5	2.4	1.9	5.4	4.7	12.0	5.6	5.6	4.2	4.7	
Jamaica	3.0	0.4	-6.9	-4.8	-4.6	-2.2	1.3	-4.7	-0.7	-	30.0	0.9	0.1	-1.2	-1.3	-1.3	-0.7	0.4	-1.5	-0.2	-0.6	
Mexico	11.6	9.4	8.8	10.2	10.5	14.0	15.1	14.2	14.0	3.9	0.0	3.4	2.4	1.5	2.8	3.0	4.6	4.9	4.6	4.7	3.3	
Nicaragua	34.8	119.8	287.4	23.7	40.6	24.0	26.5	31.8	32.2	-7.2	10.3	10.2	30.0	48.9	6.5	11.6	7.8	8.7	10.4	10.8	19.0	
Panama	2.5	2.9	3.3	3.1	2.5	2.5	2.4	1.7	1.6	0.3	-14.7	0.7	0.7	0.6	0.9	0.7	0.8	0.8	0.5	0.5	0.7	
Paraguay	4.9	9.7	7.0	16.4	9.9	9.0	4.3	3.6	3.2	12.9	-28.9	1.4	2.4	1.2	4.5	2.8	2.9	1.4	1.2	1.1	2.1	
Peru	41.0	31.3	30.2	69.5	41.3	9.6	33.5	24.2	22.8	-25.2	33.3	12.0	7.8	5.1	19.1	11.8	3.1	11.0	7.9	7.6	9.3	
Suriname	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-12.9	-12.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Trin. & Tob.	-3.7	-3.6	-3.5	-3.5	-3.8	-3.1	0.2	0.1	0.1	3.4	-	-1.1	-0.9	-0.6	-1.0	-1.1	-1.0	0.1	0.0	0.0	-0.6	
Uruguay	6.9	8.0	6.3	6.9	8.7	6.6	5.2	4.2	1.9	-0.7	-34.0	2.0	2.0	1.1	1.9	2.5	2.2	1.7	1.4	0.6	1.7	
Venezuela	4.1	3.6	3.2	4.1	3.8	2.9	5.4	2.9	2.8	-7.1	-0.9	1.2	0.9	0.5	1.1	1.1	0.9	1.8	0.9	0.9	1.0	
OECS	0.5	0.4	0.2	0.2	0.0	0.1	0.1	0.1	0.1	-26.7	2.9	0.2	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.1	
And. Comm.	130.1	115.4	149.9	151.5	124.5	93.9	107.6	107.5	128.2	-6.3	10.9	38.0	28.9	25.5	41.7	35.6	30.7	35.2	35.1	42.8	34.0	
Mercosur	64.3	53.1	48.6	74.3	80.7	66.0	65.6	64.1	47.2	0.5	-10.6	18.8	13.3	8.3	20.5	23.1	21.5	21.5	20.9	15.8	17.3	
CACM	95.3	179.4	347.5	85.9	94.0	94.8	77.7	91.1	79.6	-0.1	-5.6	27.9	45.0	59.1	23.7	26.9	31.0	25.4	29.7	26.6	35.1	
CARICOM	1.8	2.8	-5.7	5.0	-1.9	0.7	6.4	1.9	3.8	-16.5	74.4	0.5	0.7	-1.0	1.4	-0.5	0.2	2.1	0.6	1.3	0.5	
LAC Total	342.1	399.2	588.0	363.0	349.6	306.3	305.5	306.6	299.3	-2.2	-0.8	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: IDB Integration and Regional Programs Department using OECD IDS.

**Table 36. Net Disbursements of French ODA to LAC, by Recipient Country, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) in LAC Total										Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02	
Argentina	6.0	6.6	5.7	5.5	6.2	6.5	7.4	5.9	11.0	1.6	18.8	3.7	3.6	3.3	4.0	4.8	5.1	7.8	6.0	7.7	4.9	
Bahamas	-	-	-	-	0.1	-	0.0	0.0	-	-	-	-	-	-	-	0.1	-	0.0	0.0	-	0.0	
Barbados	0.0	0.0	0.0	0.0	-	0.0	0.0	0.0	0.1	8.4	54.2	0.0	0.0	0.0	0.0	-	0.0	0.0	0.0	0.1	0.0	
Belize	-	-	-	-	-	-	-	0.5	-	-	-	-	-	-	-	-	-	-	0.5	-	0.0	
Bolivia	11.8	21.3	32.6	11.5	10.1	11.9	8.2	8.4	31.7	0.1	38.8	7.2	11.5	19.0	8.5	7.8	9.2	8.6	8.5	22.2	11.8	
Brazil	16.3	5.9	9.4	15.2	3.5	18.1	23.4	14.6	19.2	2.0	2.0	10.0	3.2	5.5	11.2	2.7	14.0	24.6	14.8	13.4	10.0	
Chile	15.4	21.4	31.8	14.3	9.4	7.8	8.4	8.0	11.0	-12.7	12.0	9.4	11.6	18.5	10.6	7.3	6.1	8.8	8.1	7.7	10.2	
Colombia	14.5	16.0	12.1	11.5	9.7	9.9	8.8	8.2	12.1	-7.4	7.0	8.9	8.7	7.0	8.5	7.6	7.7	9.2	8.3	8.5	8.2	
Costa Rica	3.1	4.2	3.8	3.0	1.9	2.5	2.6	14.2	4.5	-4.0	21.2	1.9	2.3	2.2	2.2	1.4	2.0	2.7	14.4	3.2	3.2	
Dom. Rep.	1.8	1.4	2.8	3.6	2.6	1.4	3.2	4.4	5.6	-4.5	56.8	1.1	0.7	1.6	2.7	2.1	1.1	3.3	4.4	3.9	2.1	
Ecuador	9.8	6.0	8.3	7.9	5.9	6.9	4.8	5.1	6.3	-6.9	-2.7	6.0	3.2	4.9	5.8	4.6	5.3	5.1	5.1	4.4	4.9	
El Salvador	1.4	1.4	3.0	5.3	6.1	3.3	1.0	1.1	2.8	18.8	-5.6	0.9	0.8	1.7	3.9	4.7	2.6	1.0	1.1	2.0	2.0	
Guatemala	1.6	2.8	1.5	1.3	2.8	3.8	1.5	1.6	1.3	19.7	-30.1	1.0	1.5	0.9	0.9	2.2	3.0	1.5	1.6	0.9	1.5	
Guyana	0.4	0.0	0.1	0.1	0.1	0.4	0.2	0.2	0.5	1.5	5.2	0.2	0.0	0.0	0.0	0.1	0.3	0.2	0.2	0.4	0.1	
Haiti	12.2	22.5	21.7	20.5	15.1	12.3	10.7	13.7	16.0	0.1	9.3	7.5	12.2	12.6	15.1	11.8	9.6	11.3	13.9	11.2	11.6	
Honduras	4.1	7.9	1.0	1.0	6.2	15.9	7.5	4.1	3.7	31.4	-38.8	2.5	4.3	0.6	0.7	4.8	12.4	7.9	4.2	2.6	4.1	
Jamaica	0.4	4.6	-0.1	-0.2	-0.7	-0.7	-0.7	-1.0	-0.8	-	-5.9	0.3	2.5	-0.1	-0.2	-0.5	-0.5	-0.8	-1.0	-0.6	0.1	
Mexico	29.3	19.6	4.7	8.5	8.9	10.4	-11.0	-2.7	-0.2	-18.7	-	17.9	10.7	2.8	6.3	7.0	8.1	-11.6	-2.7	-0.1	5.4	
Nicaragua	6.4	11.5	7.4	1.0	12.1	5.9	3.3	2.8	0.8	-1.4	-48.3	3.9	6.2	4.3	0.7	9.4	4.6	3.5	2.9	0.6	4.1	
Panama	0.4	0.2	0.3	0.3	0.2	0.1	0.3	0.4	0.7	-21.5	87.9	0.2	0.1	0.2	0.2	0.2	0.1	0.3	0.4	0.5	0.2	
Paraguay	-0.04	0.2	0.1	0.1	0.5	0.5	0.7	0.0	0.2	-	-25.9	0.0	0.1	0.1	0.1	0.4	0.4	0.7	0.0	0.2	0.2	
Peru	10.2	16.4	8.5	14.4	17.6	6.4	6.2	3.2	4.5	-8.9	-10.9	6.2	8.9	4.9	10.6	13.7	5.0	6.5	3.2	3.2	7.0	
Suriname	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	-2.1	38.7	0.1	0.0	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.1	
Trin. & Tob.	0.4	0.2	0.6	0.4	0.4	0.5	0.8	0.9	0.7	1.4	16.6	0.3	0.1	0.4	0.3	0.3	0.4	0.9	0.9	0.5	0.4	
Uruguay	4.0	3.4	3.1	2.6	1.2	1.6	1.6	1.4	2.2	-17.3	12.9	2.4	1.8	1.8	1.9	0.9	1.2	1.7	1.4	1.6	1.7	
Venezuela	3.8	5.9	3.4	3.0	4.9	3.2	3.4	3.3	4.7	-3.5	13.6	2.3	3.2	2.0	2.2	3.8	2.5	3.6	3.3	3.3	2.9	
OECS	10.5	4.9	10.1	5.1	3.6	-0.3	3.0	0.3	3.9	-	-	6.4	2.7	5.9	3.7	2.8	-0.2	3.2	0.3	2.7	3.3	
And. Comm.	50.2	65.5	64.9	48.3	48.2	38.2	31.3	28.2	59.4	-5.3	15.8	30.6	35.5	37.7	35.6	37.5	29.7	32.9	28.5	41.6	34.7	
Mercosur	26.3	16.0	18.3	23.4	11.4	26.7	33.1	21.9	32.6	0.3	6.9	16.1	8.7	10.6	17.2	8.9	20.8	34.7	22.2	22.8	16.8	
CACM	16.5	27.9	16.7	11.6	29.0	31.6	15.9	23.8	13.1	13.8	-25.4	10.1	15.1	9.7	8.5	22.6	24.6	16.7	24.1	9.2	14.9	
CARICOM	24.1	32.3	32.4	25.9	18.8	12.3	14.1	14.8	20.7	-12.6	18.9	14.7	17.5	18.8	19.0	14.6	9.6	14.8	15.0	14.5	15.6	
LAC Total	164.0	184.3	171.9	135.8	128.5	128.5	95.2	98.7	142.8	-4.8	3.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: IDB Integration and Regional Programs Department using OECD IDS.

**Table 37. Net Disbursements of Dutch ODA to LAC, by Recipient Country, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) in LAC Total									Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02
Argentina	1.4	1.6	1.1	0.7	0.2	0.1	0.2	0.5	0.2	-48.5	68.7	0.6	0.6	0.4	0.2	0.1	0.0	0.2	0.2	0.1	0.3
Bahamas	-	-	0.0	-	-	-	-	-	-	-	-	-	-	0.0	-	-	-	-	-	-	0.0
Barbados	0.2	0.1	0.2	0.3	0.1	-	-	0.2	0.0	-	-	0.1	0.1	0.1	0.1	0.0	-	-	0.1	0.0	0.1
Belize	0.3	0.2	0.3	0.3	0.2	0.0	0.0	0.4	0.3	-43.3	138.1	0.2	0.1	0.1	0.1	0.1	0.0	0.0	0.2	0.1	0.1
Bolivia	29.2	43.5	45.2	53.7	60.7	25.1	34.0	73.3	57.5	-3.0	31.9	13.3	16.8	16.7	20.1	22.9	19.5	25.6	28.9	29.7	21.2
Brazil	14.5	15.2	16.9	16.2	17.0	0.2	2.1	15.2	13.5	-58.4	322.0	6.6	5.9	6.2	6.0	6.4	0.1	1.5	6.0	7.0	5.6
Chile	14.0	8.3	6.6	7.6	5.0	0.7	0.6	4.0	3.1	-45.9	67.6	6.4	3.2	2.4	2.9	1.9	0.5	0.4	1.6	1.6	2.5
Colombia	10.2	8.3	6.8	8.0	8.7	6.7	9.2	15.5	14.0	-8.2	28.1	4.7	3.2	2.5	3.0	3.3	5.2	7.0	6.1	7.2	4.4
Costa Rica	11.5	13.4	12.7	12.9	13.6	5.8	7.6	15.2	5.7	-13.0	-0.3	5.3	5.2	4.7	4.8	5.1	4.5	5.7	6.0	2.9	4.9
Dom. Rep.	2.0	1.8	2.0	2.3	2.2	0.1	0.0	2.4	1.3	-47.5	153.3	0.9	0.7	0.7	0.9	0.8	0.1	0.0	0.9	0.7	0.7
Ecuador	5.8	9.5	9.4	13.0	12.9	8.0	6.6	13.6	9.6	6.6	6.3	2.7	3.7	3.5	4.9	4.9	6.2	5.0	5.4	5.0	4.4
El Salvador	6.8	6.6	6.3	7.6	8.5	3.4	2.8	9.5	7.7	-12.9	31.4	3.1	2.5	2.3	2.9	3.2	2.6	2.1	3.8	4.0	3.0
Guatemala	5.8	10.3	9.7	14.8	19.2	12.1	10.8	21.2	19.0	15.9	16.1	2.6	4.0	3.6	5.5	7.2	9.4	8.1	8.3	9.8	6.2
Guyana	-	0.0	0.3	0.0	0.0	2.1	1.3	0.8	0.7	-	-31.4	-	0.0	0.1	0.0	0.0	1.6	1.0	0.3	0.4	0.3
Haiti	4.3	2.8	3.1	3.7	5.4	3.0	4.1	4.8	3.8	-7.4	9.0	2.0	1.1	1.1	1.4	2.0	2.3	3.1	1.9	2.0	1.8
Honduras	6.9	15.8	8.4	12.9	15.7	13.3	8.9	10.1	8.1	14.1	-15.2	3.1	6.1	3.1	4.8	5.9	10.3	6.7	4.0	4.2	5.0
Jamaica	6.8	8.9	4.4	1.1	-0.5	-2.6	3.2	1.8	1.5	-	-	3.1	3.4	1.6	0.4	-0.2	-2.0	2.4	0.7	0.8	1.2
Mexico	3.5	3.3	3.2	3.5	2.8	-0.3	-2.1	2.7	3.0	-	-	1.6	1.3	1.2	1.3	1.1	-0.2	-1.6	1.1	1.6	1.0
Nicaragua	23.4	37.3	30.1	21.2	23.4	17.9	16.0	18.5	23.9	-5.3	10.2	10.7	14.4	11.1	7.9	8.8	13.9	12.1	7.3	12.4	10.6
Panama	0.5	0.6	0.4	0.4	0.2	-	0.2	0.6	0.5	-	-	0.2	0.2	0.2	0.1	0.1	-	0.1	0.3	0.3	0.2
Paraguay	0.7	0.6	0.7	0.7	0.1	-	-	1.1	1.3	-	-	0.3	0.2	0.2	0.3	0.0	-	-	0.4	0.7	0.3
Peru	22.8	22.1	24.9	26.7	32.8	11.5	9.4	24.5	11.8	-12.8	1.0	10.4	8.5	9.2	10.0	12.4	8.9	7.1	9.7	6.1	9.4
Suriname	41.8	47.0	76.1	58.3	35.5	21.7	17.2	16.8	6.5	-12.3	-33.0	19.1	18.1	28.1	21.8	13.4	16.9	13.0	6.6	3.4	16.1
Trin. & Tob.	0.0	0.1	0.2	0.2	0.1	-0.02	0.1	0.1	0.0	-	-	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.1	0.0	0.0
Uruguay	1.6	1.4	1.4	0.7	0.3	-	0.1	0.1	0.1	-	-	0.7	0.5	0.5	0.3	0.1	-	0.0	0.1	0.0	0.3
Venezuela	0.4	0.2	0.2	0.1	0.3	0.1	0.2	0.3	0.2	-34.0	66.3	0.2	0.1	0.1	0.1	0.1	0.0	0.2	0.1	0.1	0.1
OECS	5.0	0.8	0.4	0.4	0.7	0.0	0.0	0.4	0.1	-100	-	2.3	0.3	0.1	0.1	0.2	0.0	0.0	0.1	0.1	0.4
And. Comm.	68.4	83.6	86.5	101.6	115.3	51.3	59.5	127.3	93.2	-5.6	22.0	31.2	32.2	31.9	38.0	43.5	39.9	44.9	50.2	48.2	39.5
Mercosur	18.1	18.7	20.0	18.2	17.5	0.2	2.3	16.9	15.1	-58.2	303.4	8.3	7.2	7.4	6.8	6.6	0.2	1.7	6.7	7.8	6.4
CACM	54.4	83.3	67.3	69.4	80.4	52.4	46.1	74.5	64.4	-0.7	7.1	24.8	32.1	24.8	26.0	30.3	40.8	34.8	29.4	33.3	29.8
CARICOM	58.5	59.9	84.8	64.2	41.5	24.2	26.0	25.3	13.0	-16.2	-18.8	26.7	23.1	31.3	24.0	15.7	18.8	19.6	10.0	6.7	20.0
LAC Total	219.4	259.5	270.7	267.3	264.9	128.6	132.6	253.6	193.5	-10.1	14.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: IDB Integration and Regional Programs Department using OECD IDS.

**Table 38. Net Disbursements of UK ODA to LAC, by Recipient Country, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) in LAC Total									Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02
Argentina	0.3	0.2	0.3	0.2	0.2	0.2	9.3	0.0	-	-2.3	-	0.3	0.2	0.3	0.1	0.2	0.1	6.2	0.0	-	0.9
Bahamas	0.0	0.1	0.2	-	0.0	0.0	-	0.0	-	0.0	-	0.0	0.1	0.2	-	0.0	0.0	-	0.0	-	0.0
Barbados	0.5	0.7	0.4	0.4	0.3	0.7	0.2	0.3	1.1	5.4	19.9	0.6	0.6	0.6	0.2	0.3	0.3	0.1	0.2	0.6	0.4
Belize	8.5	4.1	6.9	1.7	1.7	34.5	1.7	6.9	10.9	32.3	-32.0	9.4	3.3	8.9	0.8	1.7	16.9	1.1	6.2	5.8	6.1
Bolivia	8.6	54.5	9.8	8.3	8.6	43.8	12.3	45.6	13.2	38.6	-32.9	9.4	44.6	12.6	3.9	8.8	21.4	8.1	41.0	7.0	16.3
Brazil	9.7	7.9	6.6	8.8	10.8	10.8	9.5	12.1	15.5	2.0	12.8	10.7	6.4	8.5	4.2	11.0	5.3	6.3	10.9	8.2	7.3
Chile	2.6	3.2	3.1	2.3	1.6	1.1	0.2	-	0.3	-15.9	-37.0	2.8	2.6	4.0	1.1	1.6	0.5	0.1	-	0.1	1.1
Colombia	4.7	4.1	3.5	4.0	4.4	4.3	3.3	2.6	2.9	-1.5	-12.1	5.1	3.4	4.5	1.9	4.5	2.1	2.2	2.3	1.6	2.7
Costa Rica	6.7	2.3	3.6	1.1	10.6	7.7	14.8	1.4	-0.1	2.7	-	7.4	1.9	4.6	0.5	10.7	3.8	9.8	1.2	-0.1	3.8
Dom. Rep.	0.02	12.2	-	0.0	0.4	43.8	6.3	-0.9	24.1	365.8	-18.0	0.0	10.0	-	0.0	0.4	21.5	4.1	-0.8	12.9	6.9
Ecuador	3.4	1.9	2.9	12.8	3.5	10.8	0.9	1.0	0.6	26.4	-62.3	3.7	1.5	3.7	6.0	3.5	5.3	0.6	0.9	0.3	3.0
El Salvador	0.5	0.5	0.3	0.4	0.3	0.4	4.9	3.1	10.3	-6.3	197.7	0.6	0.4	0.4	0.2	0.3	0.2	3.2	2.7	5.5	1.6
Guatemala	0.2	0.3	0.7	0.8	0.4	1.8	22.6	0.6	0.5	60.7	-33.7	0.2	0.3	0.9	0.4	0.4	0.9	15.0	0.5	0.3	2.2
Guyana	13.5	10.0	12.7	146.1	32.9	15.1	34.5	18.1	13.8	2.3	-2.8	14.8	8.2	16.4	69.2	33.3	7.4	22.9	16.3	7.4	23.7
Haiti	0.5	0.4	-	0.2	0.1	-	0.0	0.2	0.2	-	-	0.6	0.3	-	0.1	0.1	-	0.0	0.2	0.1	0.1
Honduras	2.6	2.1	1.7	1.8	2.2	3.1	0.9	1.2	1.8	3.4	-17.1	2.9	1.7	2.2	0.9	2.2	1.5	0.6	1.1	0.9	1.4
Jamaica	2.1	0.9	-7.1	-4.7	5.5	3.9	4.6	6.7	6.9	13.1	20.7	2.3	0.7	-9.1	-2.2	5.6	1.9	3.1	6.0	3.7	1.5
Mexico	5.9	4.7	6.0	5.3	6.4	5.0	5.5	1.3	2.4	-3.4	-21.5	6.5	3.9	7.7	2.5	6.5	2.4	3.7	1.2	1.3	3.4
Nicaragua	1.1	1.4	1.6	1.2	1.7	5.5	1.7	1.0	0.3	39.0	-60.7	1.2	1.1	2.0	0.6	1.7	2.7	1.1	0.9	0.2	1.2
Panama	1.2	1.1	0.8	0.8	0.6	0.5	0.4	0.3	0.2	-16.7	-28.8	1.3	0.9	1.0	0.4	0.6	0.2	0.2	0.3	0.1	0.5
Paraguay	0.4	0.3	0.0	-0.1	0.0	0.1	0.0	0.1	-0.2	-24.6	-	0.5	0.2	0.1	0.0	0.0	0.0	0.0	0.0	-0.1	0.0
Peru	5.9	5.0	4.4	6.9	5.4	6.4	10.1	7.5	78.5	1.9	130.2	6.4	4.1	5.7	3.3	5.4	3.2	6.7	6.7	41.9	10.4
Suriname	0.0	-	0.0	0.0	-	-	-	-	-	-	-	0.0	-	0.0	0.0	-	-	-	-	-	0.0
Trin. & Tob.	0.6	0.7	0.5	0.6	-0.2	0.3	0.4	0.3	0.2	-11.3	-17.6	0.7	0.6	0.6	0.3	-0.2	0.2	0.3	0.3	0.1	0.3
Uruguay	0.3	0.8	0.4	0.5	0.4	0.3	0.2	-	0.0	0.0	-58.0	0.3	0.7	0.5	0.2	0.4	0.1	0.2	-	0.0	0.2
Venezuela	0.4	0.4	0.3	0.3	0.5	0.2	1.3	0.1	0.1	-8.8	-25.3	0.4	0.3	0.4	0.1	0.5	0.1	0.9	0.1	0.1	0.3
OECS	10.8	2.5	18.0	11.3	0.6	4.0	5.3	2.0	4.2	-18.1	1.8	11.9	2.0	23.2	5.4	0.6	1.9	3.5	1.8	2.2	4.7
And. Comm.	22.8	65.9	20.9	32.3	22.4	65.6	27.9	56.7	95.4	23.5	13.3	25.1	54.0	26.9	15.3	22.7	32.1	18.5	51.0	50.8	32.7
Mercosur	10.7	9.1	7.2	9.4	11.3	11.4	19.0	12.2	15.3	1.3	10.3	11.8	7.5	9.3	4.5	11.5	5.6	12.6	11.0	8.1	8.4
CACM	11.1	6.6	7.8	5.2	15.2	18.5	44.9	7.1	12.8	10.7	-11.5	12.2	5.4	10.1	2.5	15.4	9.0	29.8	6.4	6.8	10.3
CARICOM	36.5	19.3	31.7	155.7	40.9	58.4	46.7	34.5	37.2	9.9	-14.0	40.2	15.8	40.9	73.8	41.4	28.6	31.0	31.0	19.8	36.8
LAC Total	90.8	122.1	77.5	211.0	98.6	204.3	150.7	111.3	187.7	17.6	-2.8	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: IDB Integration and Regional Programs Department using OECD IDS.



**Table 39. Net Disbursements of Spanish ODA to LAC, by Recipient Country, 1994-2002**

	Amount (2001 Prices - \$ Million)									AAGR (%)		Shares (%) in LAC Total										Avg
	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-99	99-02	1994	1995	1996	1997	1998	1999	2000	2001	2002	94-02	
Argentina	25.9	30.6	27.0	15.0	-5.3	-8.4	-6.6	-3.9	9.0	-	-	8.1	11.8	10.4	8.0	-2.1	-3.5	-2.8	-0.6	2.8	3.1	
Barbados	-	-	-	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Belize	2.7	-	-0.5	-0.3	-0.1	0.1	0.1	0.1	-0.1	-50.6	-	0.8	-	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.1	
Bolivia	18.0	11.6	30.8	11.2	38.6	13.4	22.7	29.7	28.0	-5.7	27.7	5.6	4.5	11.8	6.0	15.7	5.6	9.7	4.6	8.7	7.5	
Brazil	1.5	3.0	4.8	6.0	5.5	4.9	5.7	6.5	5.7	26.8	5.2	0.5	1.1	1.8	3.2	2.2	2.0	2.4	1.0	1.8	1.6	
Chile	7.6	10.7	3.7	-2.9	-3.6	-4.4	-1.6	-2.9	1.6	-	-	2.4	4.1	1.4	-1.6	-1.5	-1.8	-0.7	-0.5	0.5	0.3	
Colombia	4.2	22.5	21.0	36.7	11.7	15.5	12.8	25.1	29.5	30.0	24.0	1.3	8.7	8.1	19.5	4.8	6.5	5.5	3.9	9.2	6.6	
Costa Rica	4.1	2.2	9.7	7.2	3.6	10.0	11.2	3.3	9.2	19.3	-2.6	1.3	0.8	3.7	3.8	1.5	4.2	4.8	0.5	2.9	2.2	
Dom. Rep.	1.0	6.2	10.5	11.9	23.4	32.1	16.0	17.1	34.8	101.3	2.7	0.3	2.4	4.0	6.3	9.6	13.5	6.8	2.7	10.8	5.6	
Ecuador	40.3	23.7	46.5	12.1	16.4	14.0	23.5	18.9	39.1	-19.1	40.9	12.5	9.1	17.9	6.4	6.7	5.9	10.0	3.0	12.1	8.7	
El Salvador	4.5	7.5	8.8	9.9	14.6	17.8	22.7	45.9	50.7	31.9	41.7	1.4	2.9	3.4	5.3	6.0	7.5	9.7	7.2	15.7	6.7	
Guatemala	3.6	6.7	13.8	21.4	15.8	16.7	14.7	16.5	15.9	36.1	-1.6	1.1	2.6	5.3	11.4	6.4	7.0	6.3	2.6	4.9	4.6	
Haiti	0.3	33.9	1.9	1.8	1.8	1.0	0.7	2.6	2.1	24.1	27.0	0.1	13.1	0.7	0.9	0.7	0.4	0.3	0.4	0.6	1.7	
Honduras	28.8	18.4	13.8	23.8	27.9	31.6	35.3	33.0	33.1	1.9	1.5	9.0	7.1	5.3	12.7	11.4	13.3	15.1	5.2	10.3	9.1	
Jamaica	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0	27.2	-26.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Mexico	130.2	12.1	-0.2	0.3	11.5	-1.1	-11.5	-9.2	-10.9	-	-117.6	40.5	4.7	-0.1	0.2	4.7	-0.4	-4.9	-1.4	-3.4	4.5	
Nicaragua	11.5	27.7	25.1	14.0	20.7	19.8	19.9	399.5	20.3	11.6	0.8	3.6	10.7	9.6	7.4	8.5	8.3	8.5	62.4	6.3	20.6	
Panama	0.8	3.4	6.1	5.6	19.3	17.0	13.1	7.3	5.3	86.6	-32.1	0.2	1.3	2.4	3.0	7.9	7.1	5.6	1.1	1.7	2.9	
Paraguay	1.0	7.0	4.6	10.1	15.0	11.6	5.4	8.4	3.7	62.2	-31.5	0.3	2.7	1.8	5.4	6.1	4.9	2.3	1.3	1.2	2.5	
Peru	4.6	11.1	23.9	19.7	22.9	29.6	18.8	29.1	29.0	45.1	-0.6	1.4	4.3	9.2	10.5	9.3	12.4	8.0	4.5	9.0	7.0	
Trin. & Tob.	-	-	-	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	
Uruguay	29.5	16.4	3.2	1.9	2.3	2.8	2.9	1.8	1.1	-37.4	-27.8	9.2	6.3	1.2	1.0	0.9	1.2	1.2	0.3	0.3	2.3	
Venezuela	1.2	4.4	5.7	-17.6	3.2	14.1	28.5	11.4	15.2	63.4	2.4	0.4	1.7	2.2	-9.3	1.3	5.9	12.2	1.8	4.7	2.4	
OECS	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-	0.0	-	-	-	0.0	
And. Comm.	68.2	73.3	127.9	62.2	92.7	86.6	106.2	114.3	140.8	4.9	17.6	21.2	28.3	49.2	33.1	37.8	36.3	45.4	17.8	43.7	32.2	
Mercosur	57.9	57.0	39.6	33.0	17.5	10.9	7.3	12.8	19.5	-28.4	21.2	18.0	22.0	15.2	17.6	7.1	4.6	3.1	2.0	6.0	9.4	
CACM	52.4	62.4	71.1	76.3	82.6	96.0	103.8	498.3	129.3	12.9	10.4	16.3	24.1	27.3	40.6	33.7	40.3	44.3	77.8	40.1	43.3	
CARICOM	3.1	34.0	1.4	1.5	1.7	1.3	0.9	2.9	2.0	-16.3	16.1	1.0	13.1	0.5	0.8	0.7	0.5	0.4	0.4	0.6	1.8	
LAC Total	321.1	259.2	260.2	187.9	245.1	238.4	234.2	640.5	322.3	-5.8	10.6	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Source: IDB Integration and Regional Programs Department using OECD IDS.

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