

WORK UNDERTAKEN

2005

- <u>January 2006</u> -

Institute for the Integration of Latin America & the Caribbean ntal

Inter-American Development Bank Integration & Regional Programs Department Institute for the Integration of Latin America & the Caribbean (IDB/INTAL)

INTRODUCTION

The INTAL's work program has been divided by the Bank's Board of Directors into twoyearly periods. The tasks are designed in coordination with and with the supervision of the Management of the Bank's Integration & Regional Programs Department, of which the Institute is an integral part. The most general objective framing the Department and Institute's activities is the application of the Bank's 2003 Integration Strategy.

The purpose of this document is to describe the main activities undertaken during 2005. The past year was especially important for the Institute. INTAL celebrated its 40 Anniversary last August, and with it, the creation of an institutional space that allowed valuable work to be done in the field of integration. This played an outstanding role in the 2005 program, without getting in the way of INTAL's regular work.

It should also be remembered that in March 2005 INTAL changed its Director: Mr. Ricardo Carciofi was appointed to the post as successor to Mr. Juan José Taccone, who has gone on to play a role in the Bank's Representation in Uruguay.

INTAL's activities center on training, publication, dissemination and support for research networks in areas such as integration, trade and integration infrastructure.

The presentation of the activities contained in this report is organized on the basis of the various different operational areas comprising INTAL:²

- ✓ TRAINING: STRENGTHENING CAPABILITIES IN TRADE & INTEGRATION
- ✓ SUPPORT FOR RESEARCH NETWORKS
- ✓ PUBLICATIONS
- ✓ FORUMS, EVENTS & SEMINARS
- ✓ CENTER FOR DOCUMENTATION & INFORMATION (CDI)
- ✓ INFORMATION DISSEMINATION
- ✓ THE IIRSA SECRETARIAT

 1 Its operational directives and dimensions are contained in Technical Cooperation Document ATN/SF-8933-RG, approved by the Bank on November 10 , 2004.

² For detailed information about the activities described here, please consult INTAL's web page at www.iadb.org/intal.

✓ TRAINING: STRENGTHENING CAPABILITIES IN TRADE & INTEGRATION

Courses with the World Trade Organization (WTO)

The IDB/INTAL has pursued its cooperation with the Secretariat of the World Trade Organization in the framework of the current Memorandum of Understanding signed by the IDB and the WTO in February 2002.

During 2005 the Technical Training Program for government officials and civil society representatives in trade and integration related areas.

As in previous years, the planning of the courses was based on demand from Latin American and Caribbean governments, through the WTO's Technical Cooperation Division.

The subjects covered were closely related to the dynamics of the negotiation process linked to the Doha Development Agenda, with specific attention to regional integration.

IDB/INTAL also organized and took part in training activities relating to other areas of negotiation at regional level in order to meet more specific needs and demands in terms of strengthening capabilities. In these cases the participation of representatives of the member countries and the Bank's experts was encouraged. Participation in these activities was decided on through a process of consultation and coordination performed by INTAL with the Integration, Trade & Hemispheric Issues Division.

The Training Program continued to be planned in cooperation with other such regional and international institutions as the Secretariat of the Caribbean Community (CARICOM), the General Secretariat of the Andean Community (CAN), the Inter-American Institute for Cooperation on Agriculture (IICA), the Secretariat of the Latin American Integration Association (LAIA) and the Association for Research & Social Studies (ASIES).

• Activities undertaken in coordination with the WTO: Nine training courses were held during 2005, training approximately 320 officials.

Of these nine activities, four focused on Latin America countries, two on countries of the Central American Common Market (CACM) (in which Mexico, Panama and Dominican Republic also took part), one on the member countries of the LAIA, one on the member countries of the Andean Community, and one on the member countries of the CARICOM.

There follows a list of activities undertaken in the course of 2005:

1. Regional Course on the WTO Sanitary & Phytosanitary Measures (SPMs) Agreement for CARICOM Countries

Location: Kingston, JamaicaH

Date: 16-18 February 2005

Organizing Institutions: WTO, IDB/INTAL, CARICOM Secretariat

Participant Countries: Antigua & Barbuda, Bahamas, Barbados, Belize, Dominique, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Kitts & Nevis, Saint Lucía, Saint Vincent & the Grenadines, Surinam, Trinidad & Tobago.

2. Short Course on the WTO and Ongoing Negotiations for Andean Countries

Location: Lima, Peru Dates: April 25–29, 2005

Dates. April 23-29, 2003

Organizing Institutions: WTO, IDB/INTAL, Andean Community General

Secretariat

Participant Countries: Bolivia, Colombia, Ecuador, Peru and Venezuela.

3. Workshop/Course on Non-Agricultural Market Access (NAMA) Product Negotiations for Latin American countries & Presentation of the Trade Negotiators' Toolkit

Location: Bogotá, Colombia Dates: May 17–20, 2005

Organizing Institutions: WTO, IDB/INTAL

Participant Countries: Argentina, Bolivia, Brazil, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Uruguay and Venezuela.

4. Regional Course on Antidumping Procedures & Research for Central American Countries (Mexico, Panama and Dominican Republic)

Location: Mexico City, Mexico

Dates: June 13-16, 2005

Organizing Institutions: WTO, IDB/INTAL

Participant Countries: Costa Rica, El Salvador, Honduras, Guatemala, Mexico,

Nicaragua, Panama and Dominican Republic.

5. Regional Course on the WTO and Regional Trade Agreements (RTAs) for Latin America Countries

Location: Lima, Peru Dates: June 21–23, 2005

Organizing Institutions: WTO, IDB/INTAL, Andean Community General

Secretariat

Participant Countries: Argentina, Bolivia, Brazil, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Uruguay and Venezuela.

6. Course on Trade Facilitation for Latin American Countries

Location: Buenos Aires, Argentina

Dates: August 8-12, 2005

Organizing Institutions: WTO, IDB/INTAL

Participant Countries: Argentina, Bolivia, Brazil, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Uruguay and Venezuela.

7. Seminar on Negotiations in the WTO & Integration Processes in Latin America for Latin American Academics

Location: Buenos Aires, Argentina Dates: September 27–28, 2005

Organizing Institutions: WTO, IDB/INTAL

Participant Countries: Argentina, Bolivia, Brazil, Colombia, Costa Rica, Chile, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama,

Paraguay, Peru, Dominican Republic, Uruguay and Venezuela

8. Short Course on Trade Policy for LAIA Countries

Location: Montevideo, Uruguay Dates: September 19–30, 2005

Organizing Institutions: WTO, IDB/INTAL, LAIA General Secretariat, Spanish

Government

Participant Countries: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador,

Mexico, Paraguay, Peru, and Uruguay and Venezuela

9. Regional Course on the WTO Agreement over the Application of Sanitary & Phytosanitary Measures for Central American Countries (Mexico, Panama, Dominican Republic)

Location: Managua, Nicaragua

Dates: November 30-December 2, 2005

Organizing Institutions: WTO, IDB/INTAL, Inter-American Institute for Cooperation on Agriculture (IICA), United States Department of Agriculture (USDA)

Participant Countries: Costa Rica, El Salvador, Honduras, Guatemala, Mexico, Nicaragua, Panama and Dominican Republic.

The Bank's Integration & Regional Programs Department participated in six of the activities undertaken over 2005 through their experts: 1) the Short Course on the WTO & Ongoing Negotiations for Andean Countries; 2) the Workshop/Course on Non-Agricultural Market Access (NAMA) Product Negotiations for Latin American countries & Presentation of the Trade Negotiators' Toolkit; 3) the Regional Course on the WTO & Regional Trade Agreements (RTAs) for Latin America Countries; 4) Course on Trade Facilitation for Latin American Countries; 5) the Seminar on Negotiations in the WTO & Integration Processes in Latin America for Latin American Academics; 6) Short Course on Trade Policy for LAIA Countries.

❖ IDB/INTAL & WTO Internship Program

The objective of the Andean Community/INTAL Internship Program is to promote knowledge of the principles and breakthroughs of Andean integration, and the internationalization of its economies, and to familiarize professionals from the member countries with the Community's way of operating, in order to facilitate the process the subregion is committed to through a training mechanism.

The Internships Program is devoted to young professionals in the public sector of Andean Community countries. All Programs have the participation of two officials from Ministries of Foreign Trade, Treasury & Finance, Planning and the Central Banks from each Andean Community country.

Ten interns take part in each of the Programs for a total of 18 weeks. Five weeks are devoted to theoretical knowledge and updating, and the following six weeks to a practical training module. The seven remaining weeks are devoted to writing a monograph in specific areas to be selected by the interns. Their research is subsequently defended before a jury made up of officials from the General Secretariat.

Since its beginnings an approximate total of 154 officials have qualified within the framework of the Program.

Chapters 13 and 14 of the Program were held between October 22, 2004 and June 17, 2005, and between August 15 and December 16, 2005 respectively, with a total of 22 interns qualifying over the year.

Internship Program Restructuring

In accord with the Bank's labor guidelines, the Andean Community's General Secretariat presented a draft proposal for the Program's restructuring for the IDB/INTAL'S consideration.³

Based on this initiative, the IDB/INTAL carried out an evaluation of the Program and analyzed the possibility of applying a distance training mechanism.

The report's conclusions were favorable to the continuity of the training program and its results have been shared by the General Secretariat of the Andean Community.

This Secretariat will in the near future draw up an integral project to extend and transform its training program, including distance training.

The 15th Program to be implemented in 2006 thus represents the conclusion of the Project in its traditional form, after which it will give way to a new phase of distance training.

***** Training Activities with other Institutions

As a complement to the training activities organized jointly with the WTO, this project mobilizes activities for government teams on subjects that are beyond the specific sphere of negotiations and multilateral agreements. On this basis, INTAL holds courses whose agendas and contents are coordinated with institutions and cooperation

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³ CTR-103/04-AND (ATN/SF-8933-RE), 5.3: "Periodically the General Secretariat of the Andean Community will prepare and present to the INTAL an evaluation of internships undertaken. The General Secretariat will also include his analysis of the Program's scope and results, as well as his recommendations regarding the need and advisability of making any adjustments."

organizations, and with the Secretariats of the four subregional processes currently underway: the Caribbean Community & Common Market, the Andean Community of Nations, the Central American Common Market, and the Southern Common Market. If governments wished, these activities could also include the participation of non-government sector representatives.

As part of the project, IDB/INTAL held the following training activities in 2005:

1. Workshop/Course on Dispute Resolution & Agriculture: Tools to Stabilize Access to International Markets

Location: Panama City, Panama

Dates: June 23-24, 2005

Organizing Institutions: IDB/INTAL, Inter-American Institute for Cooperation on

Agriculture (IICA)

Participant Countries: Belize, Costa Rica, El Salvador, Honduras, Guatemala,

Nicaragua, Panama and Dominican Republic.

2. International Course on the Challenge of the TLC with the United States: Implications for Development & Measures to Optimize Benefits and Reduce Damages

Location: Antigua and Panajachel, Guatemala

Dates: November 21-26, 2005

Organizing Institutions: IDB/INTAL, Association for Research & Social Studies

(ASIES), International Development Research Centre (IDRC)

Participant Countries: Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua

and Dominican Republic.

INTAL coordinated both activities in close contact with the Integration & Regional Programs Department (INT), with the additional participation of a Department official as an exponent.

✓ <u>SUPPORT FOR RESEARCH NETWORKS</u>

❖ LAEBA: Latin American/Caribbean & Asia/Pacific Economics & Business Association

On the occasion of the IDB's Annual Assembly, held in Santiago de Chile in March 2001, the Inter-American Development Bank through its Integration & Regional Programs Department, and the Asian Development Bank through the ADB Institute decided to sign an agreement joining forces to facilitate the exchange of knowledge and experience relevant to both regions. Specific work areas were defined: the reduction of poverty, social protection, governability, productive development and finance, biregional trade and cooperation between Latin America and the Caribbean on the one hand, and Asia/Pacific on the other.

LAEBA was created in light of this framework. It is a work program, administered and financed with resources from both Banks that seeks to achieve the following specific goals: i) to encourage comparative research in both regions, geared to the design of policies in a range of areas, such as development, business economics public policy; ii) to stimulate the creation of professional networks in both regions in areas of mutual interest; iii) to facilitate the growing interaction of academics, government officials responsible for policy design, and the business community.

In this framework, the Second Annual LAEBA Meeting was held in INTAL's Auditorium on November 28–29 on the subject of 'Latin America & Asia: Strategic Policies for Global Competition', with the participation of Asian and Latin American experts from the academic community and government.

The program of the meeting was as follows:

Monday, Novem	Monday, November 28		
8:45 - 9:15	Registration		
9:15 - 9:30	Opening Words		
	Ricardo Carciofi, <i>Director</i> , <i>IDB/INTAL</i>		
	John Weiss, Director of Research, Asian Development Bank Institute (ADBI)		
	Antoni Estevadeordal, <i>Principal Adviser</i> , <i>Integration & Regional Programs</i> Department, IDB		
9:30 - 12:15	Session 1: Asian & Latin American Experiences		
	Moderator:		
	Antoni Estevadeordal, Principal Adviser, Integration & Regional Programs		
0.00 10.15	DEPARTMENT, IDB		
<u>9:30 - 10:15</u>	The Latin American Experience		
	JOSÉ LUIS MACHINEA, EXECUTIVE SECRETARY, ECONOMIC COMMISSION FOR LATIN AMERICA & THE CARIBBEAN (ECLAC)		
	Presenter: Manuel Marfán, <i>Consultant, Central Bank, Chile</i>		
<u>10:15 - 11:00</u>	Export Growth & Industrial Policy: Overview of the East Asian Experience		
	John Weiss, <i>Director of Research</i> , <i>ADBI</i>		
	Presenter:		
	José María Fanelli, Researcher, Civil Society & Social Development Department		
	(CEDES), Argentina		
<u>11:00 - 11:15</u>	Break		
<u>11:15 - 12:15</u>	Open Discussion		
<u>12:15 - 14:00</u>	Lunch		
14:00 - 15:45	Session 2: The New Global Environment		
	Moderator: Miguel Castilla, <i>Director of Economic Research, Andean Development Corporation</i>		
	(CAF)		
14:00 - 14:30	The New Global Environment for Competition		
	TIMOTHY STURGEON, SENIOR RESEARCHER, MASSACHUSETTS INSTITUTE OF TECHNOLOGY (MIT)		
<u>14:30 - 15:00</u>	Presenters:		
	DANIEL CHUDNOVSKY, LECTURER, UNIVERSITY OF SAN ANDRÉS AND RESEARCH CENTRE FOR		
	TRANSFORMATION (CENIT), ARGENTINA		
15.00 15.45	CLÁUDIO FRISCHTAK, PARTNER, INTER. B INTERNATIONAL BUSINESS CONSULTANCY, BRAZIL		
<u>15:00 - 15:45</u> 15:45 - 16:00	Open Discussion Break		
13.43 - 10.00	חו במע		

<u>16:00 - 17:45</u>	Session 3: The Role of Government Moderator: Yevgeny Kuznetsov, Senior Economist, Cognitive Development Program, World Bank Institute
<u>16:00 - 16:30</u>	Strategic Long-Term Policies For Global Competition CHARLES SABEL, LECTURER, COLUMBIA LAW SCHOOL, USA
<u>16:30 - 17:00</u>	Presenters: Robert Devlin, International Consultant & Former Subgerente of the Integration & Regional Programs Department of the IDB Fernando Navajas, Director & Head Economist, Foundation for Latin American Economic Research (FIEL), Argentina
<u>17:00 - 17:45</u>	Open Discussion
Tuesday, Nove	
<u>9:00 - 10:45</u>	Session 4: New Industrial Policies Moderator: Horst Grebe, Executive Director of PRISMA & FORMER BOLIVIAN MINISTER FOR DEVELOPMENT
9:00 - 9:30	Singapore's Industrial Policy Model: Past Evolution & Current Thinking Chia Siow Yue, Lecturer, Singapore Institute of International Affairs (SIIA)
<u>9:30 - 10:00</u>	Presenters: Mauricio Jenkins, Associate Lecturer, Central American Institute of Business Administration (INCAE), Costa Rica
<u>10:00 - 10:45</u> <u>10:45 - 11:00</u>	José Miguel Benavente, <i>Lecturer</i> , <i>University of Chile</i> Open Discussion Break
<u>11:00 - 12:30</u>	Session 5: R&D & Innovative Policies
	Moderator: Gustavo Lugones, Director of Economics, Study Center for Science Development & Higher Education (Centro REDES), Argentina
<u>11:00 - 11:30</u>	Introduction & Overview (Non-Regional Experiences) Manuel Trajtenberg, Lecturer, University of Tel Aviv
<u>11:30 - 11:45</u>	Presenter: Pablo Sanguinetti, <i>Lecturer, Torcuato Di Tella University, Argentina</i>
<u>11:45 - 12:30</u> <u>12:30 - 14:00</u>	Open Discussion Lunch
14:00 - 16:00	Session 6: R&D Case Studies & Innovative Policies
	Moderator: Martín Piñeiro, Director, Consultancy Group on Economics & Organization (CEO) & Former Undersecretary of Agriculture, Argentina
<u>14:00 - 15:00</u>	Indonesia's Technology & Industrial Competetiveness THEE KIAN WIE, VISITING LECTURER, ASIAN DEVELOPMENT BANK INSTITUTE
	Technology Policy in Brazil Fabio Erber, Director, Economic Institute, Federal University of Rio de Janeiro, Brazil
<u>15:00 - 15:30</u>	Presenters: Juan Carlos del Bello, <i>Research Lecturer</i> , <i>National University of Quilmes</i> , <i>Argentina</i> Mauricio Mesquita Moreira, <i>Senior Economist</i> , <i>Integration & Regional Programs Department</i> , <i>IDB</i>
<u>15:30 - 16:00</u>	Open Discussion
<u>16:00 - 16:15</u>	Break
<u>16:15 - 18:00</u>	Session 7: Case Studies on Production Clusters & Chains Moderator: RICARDO CARCIOFI, DIRECTOR, IDB/INTAL
<u>16:15 - 16:45</u>	Growing Production Clusters & Chains: Evidence from Malaysia's Electronics Industry RAJAH RASIAH, FACULTY OF ECONOMICS & BUSINESS, UNIVERSITY OF MALAYSIA
<u>16:45 - 17:15</u>	Presenters: Miguel Castilla, <i>Director of Economic Research, CAF</i> Christian Volpe, <i>Economist</i> , <i>Integration & Regional Programs Department</i> , <i>IDB</i>

<u> 17:15 - 17:45</u>	Open Discussion
<u>17:45 - 18:00</u>	Closing Words
	RICARDO CARCIOFI, DIRECTOR, IDB/INTAL

❖ Network of Research on Integration (RedINT)

The INTAL Network of Research Centers on Integration (RedINT) of the Institute for the Integration of Latin America & the Caribbean (INTAL) of the Inter-American Development Bank (IDB)'s Integration & Regional Programs Department was set up to flesh out capacity and experience in research through studies by individual researchers or research teams from Latin American and Caribbean countries, working in integration-related areas in the region. The project is executed in coordination with and with the technical support of the Bank's Integration, Trade & Hemispheric Issues Division (INT/ITD).

In the period covered by this report a call for papers was sent out to researchers from the Central American Common Market (CACM) on 'The challenge of the Central America/United States Free Trade Treaty for the Central American Common Market' to be presented at the 3rd RedINT Forum.

The works undertaken by Academic Centers in the subregion: the National Economic Research Center (CIEN), the Central America Academy and the Central American Institute of Business Administration (INCAE).

The 3rd RedINT Forum was held last November in San José, Costa Rica. As part of these activities, Professor Gilles Saint-Paul of the University of Toulouse and the Industrial Economic Institute (IDEI) in France gave a special presentation on 'Labor Mobility in the European Union's Integration Process.'

A round table was also held on the occasion of the 40th Anniversary of the creation of INTAL. It focused on 'Central American Integration: The Next Steps.'

The full agenda of the meeting, including topics and authors, is as follows:

<u>8:30 - 9:15</u>	Registration
<u>9:15 - 9:30</u>	Opening Words
	ADOLFO SOLANO, DIRECTOR OF TRADE NEGOTIATIONS, MINISTRY OF FOREIGN TRADE, COSTA
	RICA
	RICARDO CARCIOFI, DIRECTOR, IDB/INTAL
9:30 - 10:45	Topic 1: Impacts, Opportunities & Challenges in the Regional Labor
	Market of the CACM in light of the DR-CAFTA
	Moderator: Alberto Franco, Consultant, Executive Director's Office for Central
	America, IDB
<u>9:30 - 10:15</u>	Presentation of the National Economic Research Center (CIEN)
	Hugo Maul Rivas, Director of Economics, CIEN
<u>10:15 - 10:45</u>	Presenters:
	JORGE NOWALSKI, DIRECTOR, INTERNATIONAL CENTER FOR SUSTAINABLE HUMAN DEVELOPMENT

	(CIDH), SAN JOSÉ
	RIGOBERTO MONGE, PRIVATE SECTOR COORDINATOR FOR EL SALVADOR'S INTERNATIONAL TRADE
10.45 11.00	NEGOTIATIONS, SUPPORT ORGANIZATION FOR PRIVATE SECTOR TRADE NEGOTIATIONS (ODASP)
10:45 - 11:00	Break
<u>11:00 - 12:15</u>	Topic 2: the Role of the CACM in Facing Challenges of the Textile &
	Clothing Sectors DR-CAFTA
	Moderator: Anabel Ulate, <i>Researcher</i> , <i>Economic Science Research Institute</i> , <i>University of Costa Rica</i>
11:00 - 11:45	Presentation of the Central American Institute of Business Administration
11.00 11.40	(INCAE)
	ARTURO CONDO, ASSOCIATE LECTURER, INCAE
<u>11:45 - 12:15</u>	Presenters:
·	JOSÉ BERLIAVSKY, PRESIDENT, CHAMBER OF TEXTILES & MANUFACTURING, SAN JOSÉ
	Juan José Huezo, Secretary General, National Union Federation of Salvadoran
	Workers (FENASTRAS)
<u>12:15 - 14:00</u>	Lunch.
	Presentation on 'Labor Mobility in the European Union's Integration Process' by
	Gilles Saint-Paul, Lecturer at the Industrial Economic Institute (IDEI), France.
<u>14:00 - 15:15</u>	Topic 3: The Multilateral Application of the CAFTA & its Implications for
	the Consolidation of the CACM
14.00 14.45	Moderator: Jorge Requena, IDB REPRESENTATIVE IN COSTA RICA
<u>14:00 - 14:45</u>	Presentation of the Academy of CENTROAMÉRICA
14.45 15.15	ANABEL GONZÁLEZ, INTERNATIONAL CONSULTANT IN FOREIGN TRADE
<u>14:45 - 15:15</u>	Presenters: RICARDO MONGE, EXECUTIVE DIRECTOR, HIGH TECHNOLOGY ADVISORY COMMITTEE OF COSTA
	RICA (CAATEC)
	Juan Alberto Fuentes, Director, Central American Institute for Fiscal Studies (ICEF),
	GUATEMALA
<u>15:15 - 15:30</u>	Break
15:30 - 16:00	Special Presentation: IDB Activities in support of the CAFTA
	JAIME GRANADOS, TRADE SPECIALIST, INTEGRATION & REGIONAL PROGRAMS DEPARTMENT, IDB
<u>16:00 - 17:20</u>	Round Table on the Occasion of INTAL's 40th Anniversary
	'Central American Integration: The Next Steps'
	Moderator: Jaime Granados, Trade Specialist, Integration & Regional Programs
	DEPARTMENT, IDB
	- EDUARDO LIZANO, PRESIDENT, CENTRAL AMERICA ACADEMY
	- Haroldo Rodas, <i>Executive Secretary, Secretariat for Central American Economic Integration (SIECA)</i>
	- Harry Strachan, <i>Mesoamerica Foundation</i>
	- Marco Vinicio Ruiz, <i>Costa Rican Private Sector Coordinator in the CAFTA</i>
	NEGOTIATION, AND FORMER PRESIDENT OF THE CHAMBER OF INDUSTRY AND THE COSTA RICAN
	Union of Private Business Associations (UCCAEP)
<u>17:20 - 18:00</u>	Open Discussion
18:00 - 18:10	Close
	Alberto Barreix, Economist, Integration & Regional Programs Department, BID

❖ Euro-Latin Study American Network on Integration & Trade (ELSNIT)

Through its Special Office in Europe (SOE), the Inter-American Development Bank (IDB), the Institute for the Integration of Latin America & the Caribbean (INTAL) and

the Integration & Regional Programs Department's Integration, Trade & Hemispheric Issues Division launched the 'Euro-Latin Study American Network on Integration & Trade (ELSNIT).'

This initiative creates a European forum on areas of integration and trade relevant to Latin America and the Caribbean. The Network's main goals are to generate research, studies and debates on these areas, based on rich experience and European perspectives, and to enhance interaction between researchers in both regions.

The ELSNIT Network is coordinated by a Committee currently formed by: the Research Centre in International Economics (CREI) in Barcelona, Spain; the Center for Prospective Studies & International Information (CEPII) in Paris, France; the Institute for World Economics (IWE) in Kiel, Germany; the Robert Schuman Centre of Advanced Studies (RSCAS) in Florence, Italy; and the IDB as represented by their Special Office in Europe (SOE) and the Integration & Regional Programs Department (INT).

ELSNIT's 2nd Latin American Meeting was held in Santiago de Chile on May 6–7. It was organized with the collaboration of the University of Chile and the minutes of the sessions of ELSNIT's 2nd Annual Meeting were presented.

Also, in September the publication took place of the papers from the 2nd Network Meeting, later presented at the 3rd Annual Meeting held in Kiel, Germany, on October 21–22. INTAL financed the Latin American participants.

Latin American & Caribbean Studies Network on Asia/Pacific (REDEALAP)

As part of a strategy geared to optimize relations between the Bank's borrower countries and the Asian region, INTAL provides support for the activities of the Latin American & Caribbean Studies Network on Asia/Pacific (REDEALAP). This Network is made up of institutions and experts from Latin America and the Caribbean who perform academic research into relations with Asia.

REDEALAP aims to support the development of research activities into and dissemination of interregional relations between Latin America/Caribbean and Asia, with a view to contributing to the formulation and implementation of strategies and public and private policies relating to this field.

With this in mind, the 6th REDEALAP Meeting was held on October 12–13 in the INTAL Auditorium. Among the topics was the future of interregional relations between Latin America and Asia/Pacific; the new approaches for the analysis of relations between the two regions; the emergence of China and India, and the implications for Latin America and the Caribbean; the position of Latin America in the face of China's economic growth.

✓ PUBLICATIONS

Over the period covered by this report the dissemination of specialized studies and articles, information and ideas relating to the evolution of ongoing and developing integration processes in Latin America and the Caribbean was continued through a set of publications.

The publication of the twice-yearly Journal *Integration & Trade* in both Spanish and English was continued, reaching the public through subscription or acquisition of individual issues.

Issues 102–113 of the INTAL Monthly Newsletter were published in three languages (Spanish, English and Portuguese), making a total of 36 copies. These are available for perusal on the INTAL web page.

Where 2005's Subregional Integration Reports were concerned, Andean Report No. 2 was published in both Spanish and English. In addition, CARICOM Report No. 2 was published in English, MERCOSUR Report No. 9 in English and No. 10 in Spanish.

Counting the different language versions of several publications (Spanish, English and Portuguese), a total of 60 publications, including various Special Reports, Dissemination Papers and Working Papers, were published over the period. A complete breakdown can be seen in the table below.

INTAL PUBLICATIONS

Periodical Publications

Integración & Comercio. Biannual Journal (Spanish & English) by subscription or individual acquisition. **No. 21** (Spanish & English) **22-23** (English)

INTAL Carta Mensual (Spanish, English & Portuguese - Internet). No. 102-113

Subregional Integration Reports

Informe Andino. Annual publication (Spanish). English Version: Internet. **No. 2** (Spanish & English)

CARICOM Report. Annual publication (English). No. 2

Informe MERCOSUR. Annual publication (Spanish, English & Portuguese). **No. 9** (English) **No. 10** (Spanish)

Special Reports

China y América Latina: nuevos enfoques sobre cooperación y desarrollo. ¿ Una segunda ruta de la seda? (Spanish). Sergio Cesarin & Carlos Juan Moneta (Comp). 2005 INTAL/ITD Series.

INTAL/ITD Publications

Working Papers: Special Initiative for Trade & Integration (IECI)

Building Regional Infrastructure in Latin America (English). Vito Tanzi. INTAL/ITD WP-SITI-10. 2005.

Working Papers

El desafío fiscal del MERCOSUR (Spanish). Luiz Villela, Jerónimo Roca & Alberto Barreix. INTAL/ITD DT-19. 2005.

The European Window: Challenges in the Negotiation of Mexico's Free Trade Agreement with the European Union (English). Jaime Zabludovsky & Sergio Gómez Lora. INTAL/ITD WP-SITI-09. 2005.

Dissemination Papers: Special Initiative for Trade & Integration (IECI)

The Entrance to the European Union of 10 New Countries: Consequences for the Relations with MERCOSUR (English). Renato G. Flôres Jr. INTAL/ITD OP-SITI-10. 2005.

Principales retos de la negociación de un tratado de libre comercio con Estados Unidos: disciplinas en materia de inversión (Spanish). Jaime Zabludovsky & Sergio Gómez Lora. INTAL/ITD DD-IECI-09. 2005.

The Production and Financing of Regional Public Goods. (English). Vito Tanzi. INTAL/ITD OP-SITI-08, 2005.

La competitividad industrial de América Latina y el desafío de la globalización (**Spanish**). Sanjaya Lall, Manuel Albaladejo y Mauricio Mesquita Moreira. INTAL/ITD SITI-OP-05. 2004.

La armonización de los impuestos indirectos en la Comunidad Andina (**Spanish & English**). Luis A. Arias, Alberto Barreix, Alexis Valencia & Luiz Villela. INTAL/ITD DD-IECI-07. 2005.

Dissemination Papers

Recientes innovaciones en los regímenes de origen y su incidencia en el proceso de verificación: el caso del CAFTA (Spanish). Rafael Cornejo. INTAL/ITD DD-33. 2005.

Achievements & Challenges of Trade Capacity Building: APractitioner's Analysis of the CAFTA Process & its Lessons for the Multilateral System (English) Eric T. Miller. INTAL/ITD OP-32. 2005.

MERCOSUR: ¿Una experiencia de desarrollo institucional sustentable? (Spanish). Celina Pena & Ricardo Rozemberg. INTAL/ITD DD-31. 2005.

Jamaica: Trade, Integration & the Quest for Growth (English). Anneke Jessen & Christopher Vignoles. INTAL/ITD OP-30. 2005.

Trade Related Capacity Building: An Overview in the Context of Latin American Trade Policy & the MERCOSUR/EU Association Agreement (English). Robert Devlin & Ziga Vodusek. INTAL/ITD OP-29. 2005.

INTAL/ITD/SOE Publications

Issues Papers. Second Annual Meeting (English). INTAL/ITD/SOE. 2005.

✓ FORUMS, EVENTS & SEMINARS

The central goal of this activity is to support the analysis of integration and trade related topics in Latin America and the Caribbean in order to inform policy design and debate, as well as to increase knowledge and raise awareness of the issue in civil society. Activities included workshops, forums and special events.

40 Years of INTAL

The current year's plan focused on commemorating the Institution's 40th Anniversary. A core event was held in Argentina, as well as another three subregional seminars.

The meeting held in Buenos Aires was opened by the Bank's President, Mr. Enrique Iglesias and Argentina's Economy Minister, Dr. Roberto Lavagna. Government authorities from various international and cooperation organizations also took part.

The seminar dealt with the current scenario for integration processes coming together in Latin American and Caribbean countries, taking into account both the current regional and international contexts. The main focus of the seminar was on the European experience and the bloc's current and future position regarding Latin America and the Caribbean, the challenges and opportunities in Asian expansion, regional integration and the multilateral trade system, the current state of the Latin American economies, the achievements and limitations of regional integration (Mercosur, CAN, Central America, Caribbean and NAFTA), and an overview of Four Decades of Regional Integration in Latin America and the Caribbean by the IDB's President. Details of the program are given below:

09:00-09:30	OPENING
	Welcome Speech: Enrique V. Iglesias, President, Inter-American Development Bank
	Opening Speech: Roberto Lavagna , Minister for Economy and Production, Argentinian Republic
	Introduction to the Seminar: Ricardo Carciofi , Director, Institute for the Integration of Latin America & the Caribbean (IDB-INTAL)
09:30-10:00	The European Experience: Its Current & Future Position regarding Latin America and the Caribbean
	Pierre Defraigne, Director, French Institute of International Relations (Eur-IFRI) and former Assistant Trade Commissioner in the European Commission

<u>Moderator</u>: **Nohra Rey de Marulanda**, Manager, Integration & Regional Programs Department, IDB

10:00-11:00 The Challenges & Opportunities of Asian Expansion: China's Relevance For Latin America & the Caribbean

Antoni Estevadeordal, Principal Economist, Integration, Trade & Hemispheric Issues Division of the Integration & Regional Programs Department, IDB

Discussion Panel: Manfred Wilhelmy, Executive Director, Chile Pacific Foundation

Alberto Trejos, Professor of Economics, Central American Institute

of Business Administration (INCAE), Costa Rica

<u>Moderator</u>: **Fernando González Vigil**, Director, APEC Study Center, University of the Pacific, Peru

11:00-11:15 COFFEE BREAK

11:15-12:15 THE CURRENT STATE OF THE LATIN AMERICAN ECONOMIES

José Luis Machinea, Executive Secretary, Economic Commission for Latin America & the Caribbean (ECLAC)

Discussion Panel: Carlos Ominami, Senator, Republic of Chile

Nora Lustig, Director, Monterrey Study Center for Globalization &

Technological System Development, Mexico

Moderator: Eugenio Díaz-Bonilla, Executive Director for Argentina, IDB

12:15-13:15 REGIONAL INTEGRATION & THE MULTILATERAL TRADE SYSTEM: TWO AXES FOR LATIN

AMERICAN & CARIBBEAN DEVELOPMENT

Rubens Ricúpero, Director, Faculty of Economics, FAAP, São Paulo, and former Secretary General of UNCTAD

Moderator: Uziel Nogueira, Economist Senior of Integration, IDB-INTAL

13:15-15:00 Buffet Lunch

15:00-16:15 The Achievements & Limits of Regional Integration

MERCOSUR

Roberto Bouzas, Lecturer, University of San Andrés and FLACSO, Argentina

CAN

Fernando González Vigil, Director, APEC Study Center, University of the Pacific, Peru

CENTRAL AMERICA

Gert Rosenthal, former Guatemalan Ambassador to the United Nations

CARIBBEAN

Henry Gill, Senior Director, Regional Caribbean Negotiating Machinery (CRNM)

NAFTA

Jaime Zabludovsky, former Undersecretary for International Trade Negotiations, Mexico

Moderator: Ricardo Carciofi, Director, IDB-INTAL

16:15-16:30 *Coffee Break*

16:30-18:00 The Integration Agenda

LAIA

Didier Opertti Badán, Secretary General, Latin American Integration Association (LAIA)

CAN

Allan Wagner, Secretary General, Andean Community of Nations (CAN)

CARICOM

Havelock Brewster, Executive Director for Caribbean Countries, IDB

CACM

Haroldo Rodas Melgar, Secretary General, Secretariat for Central American Economic Integration (SIECA)

MERCOSUR

Eduardo Duhalde, President of the Commission of Permanent MERCOSUR Representatives

NAFTA

Ángel Villalobos, Undersecretary for International Trade Negotiations, Secretariat of the Economy, Mexico

<u>Moderator</u>: **Nohra Rey de Marulanda**, Manager, Integration & Regional Programs Department, IDB

18:00-18:30 FOUR DECADES OF REGIONAL INTEGRATION IN LATIN AMERICA & THE CARIBBEAN

Enrique V. Iglesias, President, Inter-American Development Bank

18:30 CLOSING WORDS

Eduardo Alberto Sigal, Undersecretary of American Economic Integration & MERCOSUR, External and Learned Ministry of Relationships, Argentina

The second meeting was organized jointly with the General Secretariat of the Andean Community and took place in September at its headquarters in Lima with the participation of its Secretary General, Mr. Allan Wagner, authorities from the IDB's Representation in Peru, international experts and the general public. The main focus of the meeting was to promote debate about the international situation faced by the Andean countries and their options for insertion, while also providing an overview of the Andean Community's international negotiations. Essential aspects of CAN/EU, CAN/Central America relations were dealt with, as well as the building of the South American Community of Nations. The joint efforts of both Institutions were worthwhile, with excellent documents emerging that will serve as the basis for future debate.

The event in Central America was held in San José, Costa Rica, in tandem with the 3rd Forum of the INTAL Network of Research Centers on Integration (RedINT). A Round Table was held on the issue of Central American Integration and what the next steps

will be. Specialists from the IDB's Integration & Regional Programs Department, authorities from the Central America Academy, the Central Bank of Nicaragua and the Executive Secretary of the SIECA, Mr. Haroldo Rodas, all took part in the occasion.

As far as the Caribbean was concerned, a regional seminar was organized jointly with the University of the West Indies (UWI) and held in Trinidad & Tobago on November 24, with the participation of authorities from the UWI, the IDB's Representation in Trinidad and officials from the Bank's Integration & Regional Programs Department. The CARICOM subregional report drawn up by the Institute was presented at the meeting, which also dealt with the CARICOM Single Market & Economy (CSME) and its external negotiations, agriculture and its links with trade and regional development, the Regional Development Fund, and the implementation of the CSME.

Civil Society & Trade Policy

Another project undertaken in 2005 and reported here is that of National Trade Policy-Making Analysis, executed jointly with Inter-American Dialogue, with the participation of its President, Mr. Peter Hakim. In this framework six national trade policy-making workshops were held in Argentina, Brazil, Chile, Guatemala, Mexico and Uruguay during the first semester of 2005.

Other Events

The meeting entitled 'The Consolidation of MERCOSUR & the Challenge of Disparities,' was held in July in Rio de Janeiro, Brazil. It was organized jointly by the Integration & Regional Programs Department, the Regional Operations Department 1 and the INTAL.

Finally, more recently a series of IDB/INTAL sponsored regional events were held on Regional and Productive Integration, the 10th Anniversary of the Creation of the WTO's Dispute Resolution Tribunal, a Meeting of Andean Legislators, the 16th General Meeting of the Pacific Economic Cooperation Council, and a Forum of Experts from the South American Countries interested in setting up spaces for policy dialogue to discuss economic and social issues, as well regional integration and stability in South America.

The following table shows the complete program of the abovementioned activities, which make a total of 22 events. In addition, the agendas and the documents emerging from each of the meetings are available on the INTAL's web page.

PROGRAM OF FORUMS & EVENTS

40th Anniversary Commemorations

40th Anniversary of INTAL. Buenos Aires, August 24.

40th Anniversary of CAN. Lima, September 23.

40th Anniversary of CENTROAMÉRICA. San José, November 22.

Research Network Meetings

Workshop on the Work of the Academic Committee of REDEALAP. Buenos Aires, February 17-18.

ELSNIT Meeting. Santiago de Chile, May 6-7.

3rd Annual ELSNIT Meeting. Kiel, October 21-22.

REDINT Forum. San José, November 22.

6th Annual REDEALAP Meeting. Buenos Aires, October 12-13.

Annual LAEBA Meeting. Buenos Aires, November 28-29.

Trade Policy-Making Workshops

The Role of Civil Society in Trade Policy-Making. Mexico, March 31.

The Role of Civil Society in Trade Policy-Making, Central America Subregional Meeting. Guatemala, April 1.

The Role of Civil Society in Trade Policy-Making. Argentina, May 30.

The Role of Civil Society in Trade Policy-Making. Chile, May 31.

The Role of Civil Society in Trade Policy-Making. Brazil, June 16.

The Role of Civil Society in Trade Policy-Making. Uruguay, June 17.

Seminars

The Consolidation of MERCOSUR & the Challenge of Disparities. Rio de Janeiro, July 6-7.

IDB/INTAL-Sponsored Events

Andean Legislators Meeting. Organized by Inter-American Dialogue. Cartagena, April 22-23.

10th Anniversary of the WTO Dispute Resolution Tribunal. Organized by the International Trade Law and Development Institute (IDCID) and the International Law Department of the University of São Paulo (USP). São Paulo, May 16-17.

Second Regional Seminar on Production Integration. Organized by the Buenos Aires Study Centre (CEB). Buenos Aires, June 23.

The MERCOSUR/CIEC Panel & Regional Integration. Organized by the Córdoba Center for Economic Research (CIEC), the Buenos Aires Center for Social & Economic Research (CIESCABA) and the Argentinian Network of Economic Humanism Centers. Buenos Aires, August 10-12.

16th General Meeting of the Pacific Economic Cooperation Council. Seoul, September 5-7.

South American Forum for Political Dialogue. Organized by Torcuato Di Tella University and the Central University of Venezuela sponsored by the Andean Development Corporation (CAF) through INTAL. Buenos Aires, December 12-13.

It is also worth mentioning the fact that INTAL offered the facilities of its Prebisch Auditorium for 26 events organized by kindred institutions, providing logistical and organizational support.

✓ CENTER FOR DOCUMENTATION & INFORMATION (CDI)

Over the course of 2005, INTAL's Documentation Center received 28,527 inquiries (as against 31,061 in 2004). These were from different categories of users:⁴ i) Virtual visitors to the CDI web page and the Center's PDF files; ii) Remote contacts answered by e-mail or phone, and iii) Reading Room users.

23,384 consultations were made by Virtual Users, representing a monthly average of 1,950 inquiries during the period covered by this report.

2,904 further e-mail or phone inquiries by Remote Users were counted, with a monthly average of 167 inquiries.

2,239 inquiries were recorded during the course of 2005 from visits to the CDI's Reading Room.

In percentage terms virtual users represented 82% of total inquiries, remote users 10%, and present users 8%. This shows that the CDI's services are not limited geographically to the Institute's headquarters. The CDI's way of working makes it possible to provide services to users throughout region.

The CDI & the INTAL Monthly Newsletter

Continuing its assistance work, the CDI performed information searches, and gathered and compiled material for the edition of Monthly Newsletters 102–113. As of March 2005, a new section was incorporated: 'Publications on Integration Grouped by Institution.'

The object of the new section is to make information searches ever more efficient. The listings form an up-to-date bibliography on regional integration, and we at INTAL feel it is a valuable contribution for those people interested in the subject.

The CDI carried out the search, standardization and technical process of the listings and documents. The institutions collected during this year were: the Inter-American Development Bank (IDB); the Economic Commission for Latin America & the Caribbean (ECLAC); the World Bank (BM); United Nations University: Comparative Regional Integration Studies (UNU-CRIS); the International Monetary Fund (IMF); the

⁴ The method of registering inquiries was modified for the new web page in August 2005, with an appreciable number being made automatically.

Organization for Economic Cooperation & Development (OECD); National Bureau of Economic Research (NBER); the Labour Studies Institute (IZA); the Asian Development Bank (ADB); the United Nations University: Regional Comparative Integration Studies (UNU-CRIS) –new records.

The listings of *Recent Acquisitions* were also updated, with a total of 740 registrations being entered. As of this year the Institute's web page has a new automated format for the acquisitions listings, depending on work done jointly with Systems. Any material incorporated appears daily.

The listing with links to *Periodical Publications* was also updated, incorporating new links and adding changes to existing ones, making a new total of 113 links.

Bibliographies on the integration blocs FTAA, CARIBBEAN, CENTRAL AMERICA, the ANDEAN COMMUNITY, MERCOSUR and the NAFTA were updated.

Experience proves that many users consult the listings on blocs and, later on, contact the CDI by e-mail or phone. This means that inquiries are customized and geared to meeting individual users' needs.

Selective Information Dissemination has also been used. This practice involves sending information to a user or group of users, with the documents published on whatever subject of interest.

In terms of technical processes, 1,560 registrations were entered in the INTEG database (books and documents, INTAL; periodical publications, KARDEX; Documents of International Organizations, DOCINT).

In collaboration with the Publications department, the Exchange and Donations listings were updated for different institutions and specialists.

As of December 2005, the CDI set up the Index Exchange with *Integration & Trade*. Summaries of our publication were sent to *El Trimestre Económico* (Fondo de Cultura Económica), the *ECLAC Journal* (ECLAC), and *Cuadernos de Economía* (Pontificia Universidad Católica de Chile). This is another way of disseminating the Institute's activities, since the publications to be exchanged are widely recognized in the international academic world.

The following reports were also sent to American Economic Association Publications to be registered and commented on in the *Journal of Economic Literature (JEL)*: CARICOM REPORT No. 2; ANDEAN REPORT No. 2; MERCOSUR REPORT No. 9; and INTEGRATION & TRADE Nos. 20 & 21.

✓ <u>DISSEMINATION</u>

New Web page Design

In August 2005 INTAL brought in a new web page in line with advances in information technology. The new page offers easier surfing and gives users access to all the Institute's information in a more dynamic, user-friendlier way, using more modern browsing mechanisms than previously.

Among the main features of this new design are word searches, subject searches by publication or event, the systematization of assessment forms and inscription in events in order to interactively facilitate participants- inscription.

The number of downloads of the most frequently consulted PDF documents in 2005 was as high as 1,056,946. Over the two-year period 2004–2005, the annual average for downloads was almost 30% higher than for 2002–2003. It should also be pointed out that, with the installation of the new page format, visitors can obtain more information on the PDF content without needing to enter it, thus simplifying the inquiry.

Other Actions

Work on modernizing and updating the Foreign Trade Statistics Database for Countries of the Americas (DATAINTAL 4.1) has been ongoing, in both CD-ROM version and the free access version already on the web page. It was also decided to increase the detail of the information of the trade classification CUCI Revision 3 for 1996–2003, which went from 3 to 5 digits. The latest version will soon be available, offering major advances in technology and content as compared to previous versions.

The Basic Instruments of Economic Integration in Latin America and the Caribbean Database comprises an array of legal instruments relevant to the integrationist process and is to be found on the INTAL web page. Given the constant evolution in this field in the region, the database has been updated constantly throughout 2005. The Institute's statistics for inquiries demonstrate a growing number of users.

In addition, work was carried out during 2005 that will optimize the dissemination of publications, forums and seminars. In this context, a new INTAL database was updated and processed, finally to be implemented during 2006.

The routine delivery of *IDB Bulletins* was continued in order to keep the Bank's Staff and Representatives informed about new publications, events and other of the Institute's activities.

Similarly, the frequency of delivery of news from all areas of the Institute to users registered in the contact database, using formats associated with the new web page, was increased as of August 2005. In response, an increase has been seen in the downloading of PDFs from the web page as a direct result of the new electronic presentation of the material.

✓ THE IIRSA SECRETARIAT

The aim of the Initiative for Regional Infrastructure Integration of South America (IIRSA) (www.iirsa.org) is to take joint action to drive forward the process of political, social and economic integration in the south of the continent. This includes modernizing the regional infrastructure and specific actions designed to stimulate the integration and development of isolated subregions, and to promote the development of transport, energy and telecommunications infrastructure with a regional outlook, to achieve the physical integration of the twelve countries of South America and a pattern of equal and sustainable territorial development.

In operational terms, IIRSA contemplates coordination mechanisms and information exchange between the Governments, its region's three multilateral financial institutions –the Inter-American Development Bank (IDB), the Andean Development Corporation (CAF), and the Financial Fund for the Development of the River Plate Basin (FONPLATA)–, the private sector and civil society, in order to achieve the proposed objectives.

During the period covered by this report, the Secretariat -based in INTAL- has continued its work of supporting the twelve governments of South America and the institutions making up the Technical Coordination Committee (IDB, CAF and FONPLATA) through the 2005 Plan of Action. Among the main activities undertaken were: (i) 12 national workshops on the South American Strategic Vision (VESA); (ii) designing and implementing a monitoring system for the 31 regional infrastructure projects making up the Consensual Implementation Agenda (CIA); (iii) updating the IIRSA Portfolio; and (iv) developing actions to promote and disseminate the Initiative.