



***Pathways to Regional  
and Global Integration  
in LAC:  
The Pacific Alliance***

***Tokyo-November 2012***

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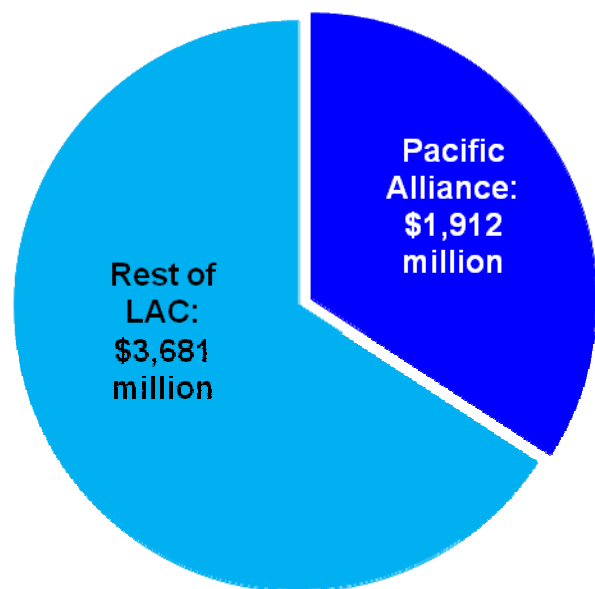


# The Pacific Alliance: Objectives

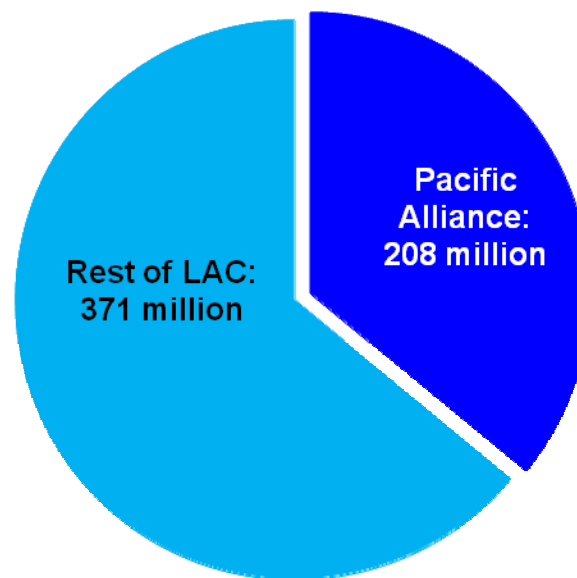
- ***New integration platform:*** to make progress towards the free flow of goods, services, capital, and people. To boost greater competitiveness and growth in the economies of its member states, as well as to widen the region's economic relations with Asia-Pacific.
- **Members:** Chile, Colombia, Mexico and Peru
- **Observers:**
  - Costa Rica / Panama
  - Australia, Canada, New Zealand, Uruguay, Spain

# The Pacific Alliance: Economic Size

GDP in current dollars,  
US\$ millions, 2011

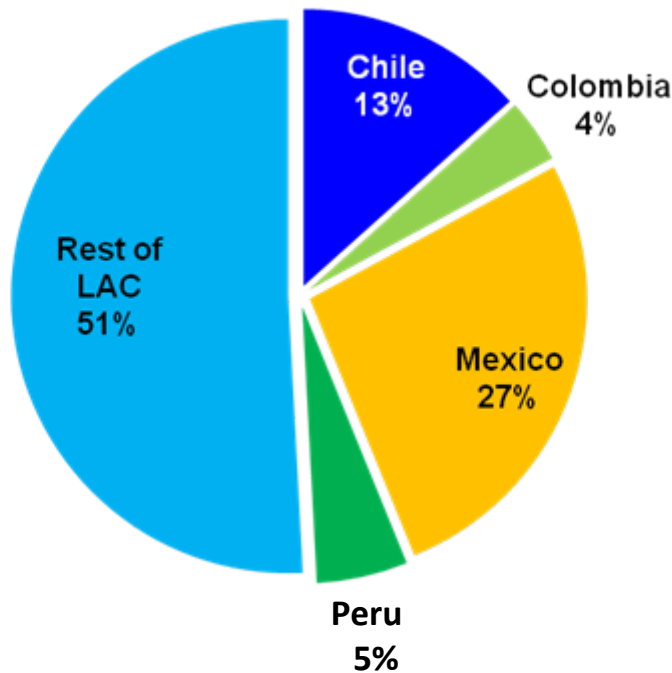


Population,  
millions, 2011

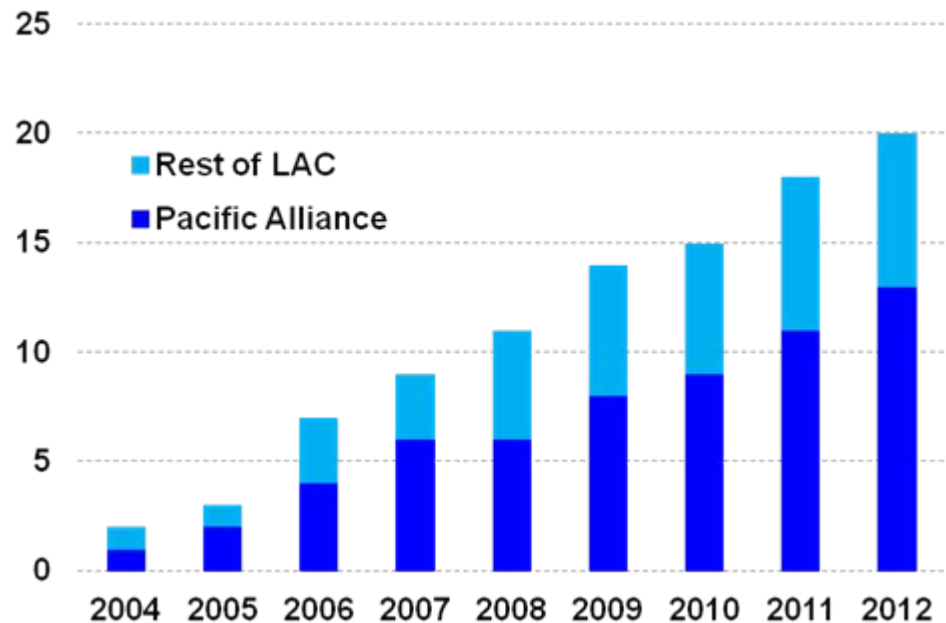


# The Pacific Alliance: Trade (Asia)

## Share of Total LAC Trade with Asia-Pacific, 2011

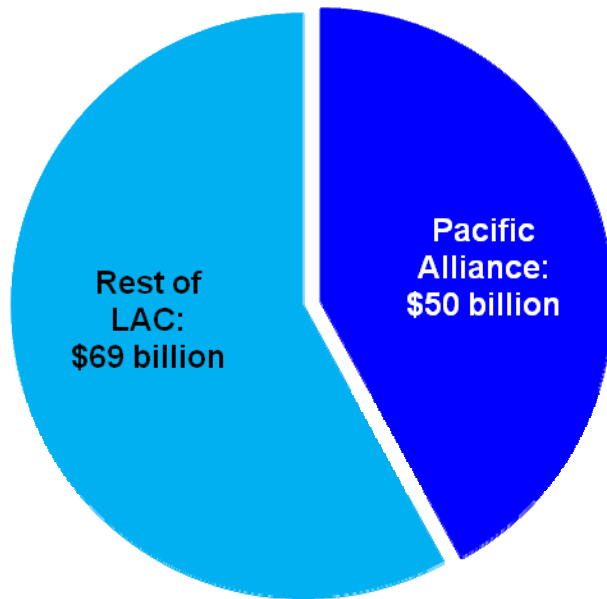


## Number of FTAs between LAC and Asia-Pacific, cumulative

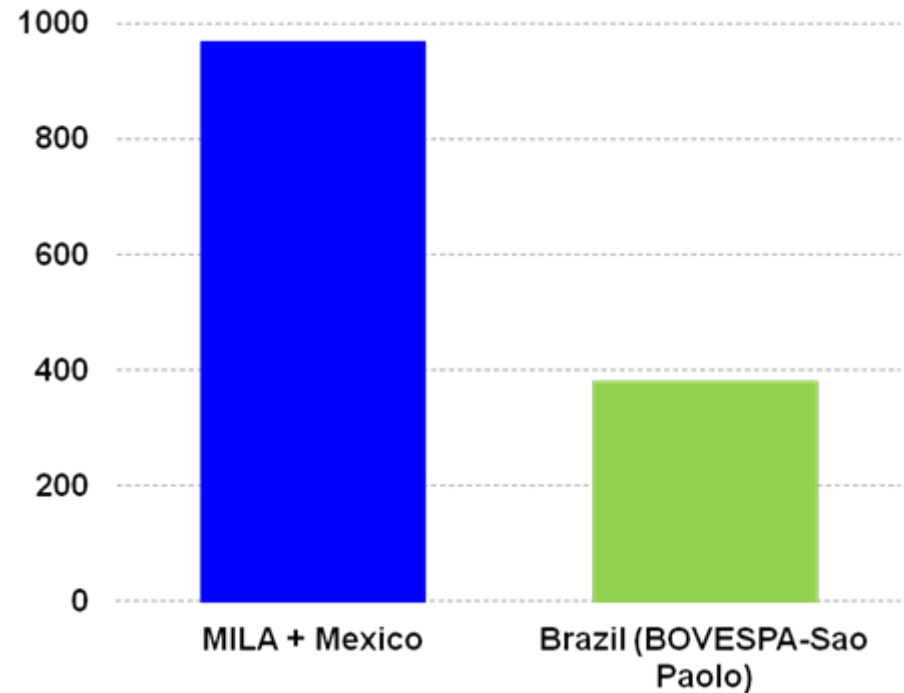


# The Pacific Alliance: Investment

Foreign direct investment  
(net inflows)  
Current US\$ billions, 2010



Stock Market Listed  
Companies, number



# The Pacific Alliance: Structure

- ***Political High Level:*** Head of State and Trade and Foreign Affairs Ministers.
- ***High Level Group:*** Management of the integration process will be the responsibility of the ministers and a High-Level Group (HLG) formed by the Vice-ministers of Trade and Foreign Affairs.
- ***Technical groups in priority areas:***
  - Movement of businesspeople and facilitation for migratory traffic.
  - Trade and integration, including trade facilitation and customs cooperation.
  - Services and capital, including the possibility to integrate stock exchanges; and
  - Cooperation and dispute settlement mechanisms. Institutional issues.

# The Pacific Alliance and the IDB

**The Pacific Alliance governments have requested IDB technical and financial support in several priority work**

## **Areas:**

Communication and dissemination strategy

Sharing of best practices and experiences on several issues (RoO)

Trade Facilitation (AEO, Single Windows, Customs Cooperation, risk management, etc)

Standards and Technical Standards

Movement of persons

Export and Investment promotion

Enhancement and promotion of Global Value Chains

Integration of stock exchanges

Cooperation



# The Pacific Alliance: Rationale

*AP responding to a new economic environment:*

- *Process of “recalibrating” existing global, regional and trans-pacific integration architecture → FTA convergence...*
- *Increasing importance of “private sector-led” integration → Global and Regional Value Chains...*
- *Movement towards a “new economic center of gravity” towards Asia-Pacific → New Markets / New Partners / New Competitors...*
- *Integration “beyond trade” liberalization → labor mobility / financial integration / infrastructure corridors / FDI / cooperation...*





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