



International Trade and  
Regional Integration



# International Trade and Regional Integration Program



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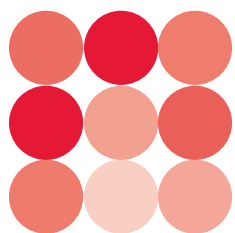
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# International Trade and Regional Integration Program



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The Inter-American Institute for Cooperation on Agriculture (IICA) is an international organization specializing in agriculture that supports the efforts of its Member States to achieve agricultural development and rural well-being.

IICA's work is geared to the implementation of technical cooperation actions under five inter-American programs underpinned by two cross-cutting issues. The programs are as follows:

- Bioeconomy and Production Development Program.
- Territorial Development and Family Farming Program.
- International Trade and Regional Integration Program.
- Climate Change, Natural Resources and Management of Production Risks Program.
- Agricultural Health, Safety and Food Quality Program.

The cross-cutting issues are:

- Gender and youth.
- Innovation and technology.

IICA works in every one of its 34 Member States. Thanks to its permanent presence in each country dating back several decades, it is well equipped to contribute to the performance and strengthening of agricultural and rural institutions in the Americas.

## IICA's current technical cooperation model

The Institute's current technical cooperation model is based on knowledge management and the provision of technical cooperation under the five hemispheric action programs underpinned by two cross-cutting issues, as listed above. The programs are interlinked, operate in a coordinated manner, and adopt an interdisciplinary approach, thus ensuring integrated responses to the agricultural challenges facing the governments of the Inter-American System.

As a manager of knowledge, IICA works with its member countries to identify and meet their technical cooperation needs and requirements.

Specifically, the International Trade and Regional Integration Program provides technical cooperation aimed at improving the countries' share of international markets. It promotes regional integration processes and the articulation of trade policy as a means to boost economic development and social wellbeing. In addition, it operates a reference center that supplies information about trade agreements.

The purpose of this document is to disseminate information about the Program's conceptual underpinnings and approaches.

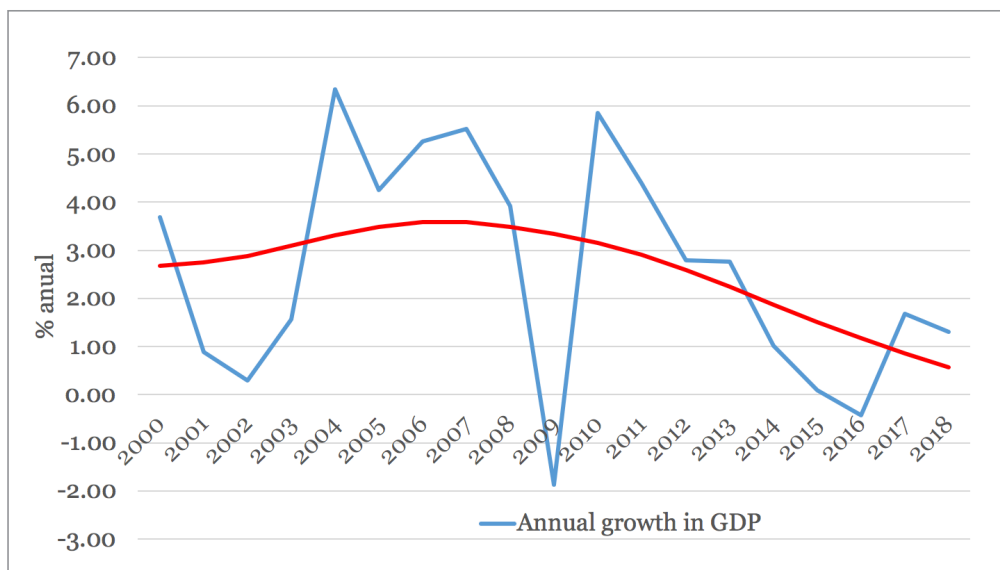


# The context

The year 2004 marked the beginning of a huge increase in the global demand for food and commodities, triggering a period of economic growth in Latin America and the Caribbean (LAC). For net exporters of those products—the Southern Cone countries (foodstuffs), Venezuela, Mexico and Ecuador (energy) and Andean nations such as Peru and Chile (minerals)—, this development signified a rise in the value of their exports and an expansion in their economic activity. Bolivia, Nicaragua, Costa Rica and Colombia also benefited from higher exports of one or more of the same groups of products.

The international context drove this positive cycle of economic growth, strong food demand and production across the globe, and improved social conditions in the region's rural territories. Recent years saw a slowdown that bottomed out in 2016, however. Despite a slight upturn in global and LAC economic activity in 2017, the downward trend persists (Figure 1).

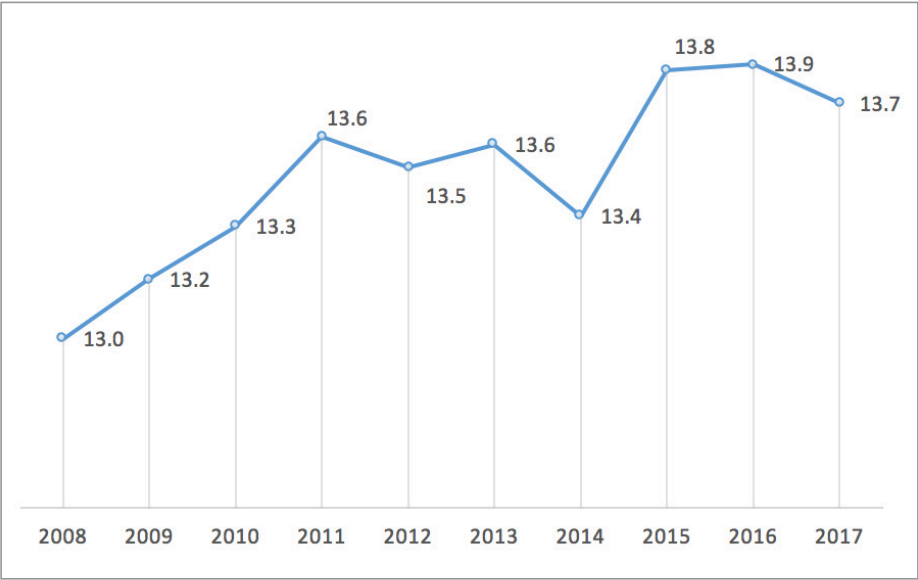
**Figure 1.** Annual growth of gross domestic product in LAC (in percentages).



**Source:** IICA 2019a, with data from the World Bank and ECLAC.

As a result of the vigorous growth recorded, LAC's share of global agrifood exports increased by nearly one percentage point over a ten-year period (Figure 2).

**Figure 2.** LAC's share of global exports of agrifood products.



**Source:** IICA 2019b, drawing on WTO data (April 2018).  
**Note:** LAC is comprised of 30 countries.

After experiencing 1.5% growth in 2016, the volume of world trade rose 4.7% in 2017, only to dip again in 2018 (WTO 2018a). By contrast, after falling 3.3% in 2016, LAC exports rose by 12.2 % in 2017 and 9% in 2018 (IDB 2019), which means they have outperformed the rest of the world for the last two years.

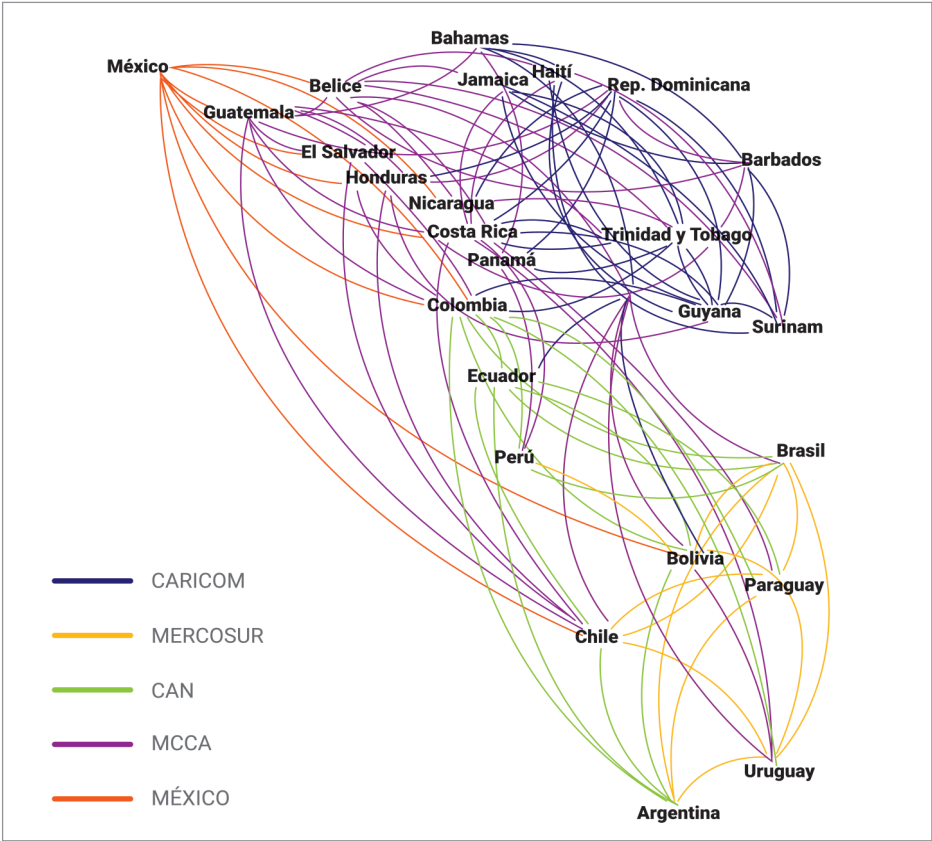




LAC exports are expected to grow more slowly in 2019 than in 2018, due to the following factors: a) the slowdown in the global and LAC economies; b) lower prices of the primary goods that are the region's most important exports (all fell between January and November 2018, except for oil prices) (IDB 2019); and c) the uncertainty created by recent trade tensions.

Free trade treaties and/or economic complementarity agreements have been the main instruments used by a large group of countries in the region to achieve better trade insertion and integration. Countries in the region currently have 33 preferential trade agreements (PTA) in place (Figure 3),<sup>1</sup> which account for roughly 85% of the present value of in-traregional trade (IDB 2018). Nevertheless, many countries still have

**Figure 3.** Intra-LAC preferential trade agreements.



Source: IDB 2018.

<sup>1</sup> Excluding agreements covering fewer than 80% of products.

relatively closed economies, particularly as far as the agriculture sector is concerned, as reflected chiefly in the exclusion of agricultural and labor-intensive goods from PTA. Improving trade integration is not simply a question of signing agreements, however, as other options are available for enhancing integration at the international level. These include business startups; the harnessing of new innovations; initiatives aimed at boosting productivity; improvements in infrastructure, logistics and transportation; and the development and implementation of policies designed to promote training, and the provision of support to enable small and medium-sized businesses to gain access to credit and technology.

In its Medium-term Plan (MTP) for 2018-2022 (IICA 2018), the Institute acknowledges that agrifood trade is being reconfigured as a result of three main trends:

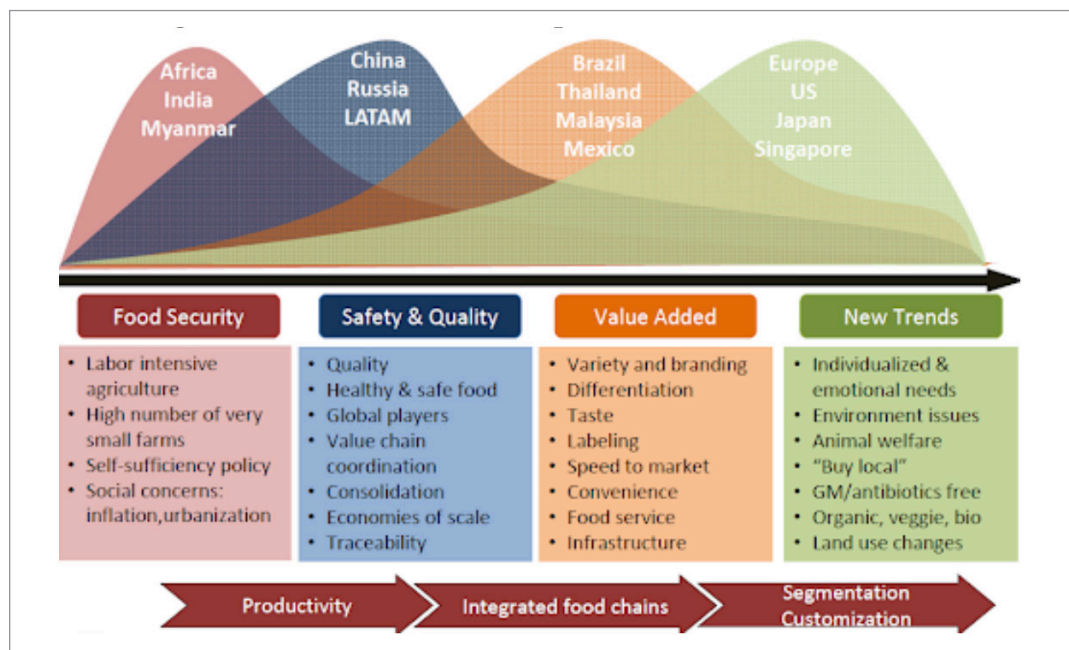
- The first trend is towards an increasingly multipolar world or fragmented globalization, in which multilateral agreements play a smaller role. Given this situation, it is likely that some countries will prioritize the signing of bilateral agreements and move towards the establishment of regional blocs. There has been a growing focus on trade and the environment, as well as health-related trade concerns, specifically with regard to food quality and sanitary and phytosanitary measures, and on labor issues, especially with respect to child exploitation and the cost of labor.
- The second trend is related to the emergence of global value chains as a dominant feature of global agroindustrial systems. The development of value chains has gone hand-in-hand with bigger foreign investment, which underlines the need for both state regulatory policies and a major effort to facilitate intraregional trade.
- The third trend is the growing dominance of a small group of countries, including some in the Americas, that have become the main net food exporters, while others in the Caribbean have become net importers.

In addition, a series of demographic trends will undoubtedly have a major impact on world trade. A burgeoning, more affluent and urbanized population will increase the demand for food and oblige producers to respond to changes in consumer tastes and preferences. While a large proportion of consumers will continue to be sensitive to prices, the growth of the middle class and its purchasing power will increase the demand for differentiated

products. These changes in consumer demand and preferences will not be the same in every country or segment of the population, nor will they take place at the same pace.

As value chains modernize and become more integrated, and markets become more segmented and specialized, consumer requirements reflect a gradual move away from basic food needs (food security) to questions of safety, quality and traceability, and eventually, health, environmental protection, social inclusion and animal welfare, as observed in the developed countries (Figure 4). For this reason, in the longer term account needs to be taken of the fact that, due to changing consumer preferences, food systems in LAC will most likely have to produce safe, healthy, high-quality foodstuffs that meet standards related to the carbon footprint, energy use, the impact on biodiversity, and fair trade approaches (Díaz-Bonilla *et al.* 2014).

**Figure 4.** Consumer tastes and preferences: different drivers and their needs.



Source: Jank 2017.

# Conceptual definitions

International trade “usually refers to the sale and distribution of goods and services across international borders. There are many different ways of doing this, but there must be a commercial element for a transaction to qualify as trade” (Goode 2007:424). Based on this definition, the Program thinks of international agricultural trade as a process via which several economies exchange agricultural and agroindustrial goods and services (chapters 1-24 of the International Harmonized System, excluding fishery products). This process mainly involves imports and exports, but other special types of trade are also recognized, including foreign investment, compensation operations and franchises. At the same time, the competitiveness of countries influences the dynamics, structures, and patterns of trade.



It can also be defined as an economic process of globalization that takes place in tandem with other social and political processes. In other words, international trade entails not only financial transactions between businesses, but also depends on other processes in which (national and local) governments and civil society organizations interact in different areas (human rights and the environment, among others).

As highlighted in the MTP, for the last two decades LAC has been actively engaged in processes aimed at both political and economic regional integration, with the former being promoted more strongly than the latter. The Union of South American Nations (UNASUR) and the Community of Latin American and Caribbean States (CELAC) are examples of integration processes with primarily political goals, interests and achievements. The Pacific Alliance, like other groupings that have existed for longer—the North American Free Trade Agreement (NAFTA), the Southern Common Market (MERCOSUR), the Summit of the Americas, the Free Trade Area of the Americas (FTAA), the Caribbean Community (CARICOM), the Organization of Eastern Caribbean States (OECS), and the Central American Integration System (SICA)—, is among those initiatives that have focused on economic integration and developed unevenly and by fits and starts.

It should be noted that trade integration in a sector like agriculture is built on regional institutions, policies, and actions. In the case of the Americas, an important element in these areas are the dynamics of regional agricultural bodies like the Southern Agricultural Council (CAS) and the Central American Agricultural Council (CAC). The role of **competitiveness** is important in regional integration processes and in international trade in the context previously described. It is a key factor in **trade promotion** and the **internationalization** of business enterprises, although government entities are involved as well. Trade promotion is also a market variable and encompasses different areas, such as communication and sales. Promotion is usually a crucial part of the trade policies of national governments and involves strong public-private partnerships.

## General glossary of the International Trade and Regional Integration Program.

International Trade	Flows of goods and services between two or more countries. Refers mainly to trade in goods and includes direct foreign investment, and the regulatory frameworks within which trade takes place.
Regional economic integration	Process of harmonization and coordination of (public and private) policies and institutions involved in strengthening and regulating trade flows between two or more countries in the same region. IICA works with 34 countries in the Americas, specifically in five regions (Northern, Central, Caribbean, Andean and Southern). Regional trade integration takes various forms and has numerous stages that constitute different levels of integration: free trade areas and zones, customs unions, common markets, economic unions, and full economic integration.
Trade promotion	Set of actions involving various trade instruments and public and private actors that promote the consumption of agricultural goods to position a territory (department, country, region) as an exporter to the rest of the world or another region.
Internationalization of businesses	Process of preparing and promoting individual or groups of agrifood businesses to sell their products in overseas markets.
Trade policy	Set of instruments that governments use to regulate the exchange of goods and services with other countries, including measures that affect trade.
Trade agreements	Legal contracts (agreement, treaty or any other binding or mandatory act) signed by two or more countries and establishing specific conditions and regulations to facilitate trade in goods and services. They may be bilateral (country-country, bloc-country, etc.), regional (involving countries in a single geographical and political area), or multilateral. The latter are thought of as the entire framework of WTO provisions, standards, and principles governing international trade and in other contexts, such as agreements entered into by several countries.



## Opportunities and challenges for the Americas in the global scenario<sup>2</sup>

In recent years, countries in the Americas have become more integrated into the international trading system through their participation in multilateral agencies like the World Trade Organization (WTO), but much remains to be done with respect to their participation in, and use of, regional agreements and bilateral agreements to *achieve broad, effective international insertion and take regional integration processes a step further*.

Some of the main challenges include:

- ***Overcoming the lack of transparency, stability and security in international agricultural markets.*** A stronger, rule-based trade system must

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<sup>2</sup> This section is a paraphrase of our 2018-2022 Medium-term Plan (IICA 2018).

be developed, one that is transparent, more secure, stable and predictable, and creates an environment in which agriculture and food security in the Americas are less exposed to risks.

- ***Taking full advantage of the region's comparative advantages in agroindustrial production, based on its wealth of agricultural natural resources and the production efficiency achieved.*** To do so, the region must increase its presence in the international market, and adjust its production to meet market requirements with regard to the quantity, health, safety and quality of exports, and supply markets as and when required.
- ***Increasing the benefits to be gained from the more effective and efficient use of the trade agreements signed.*** To achieve this, the countries will need to: improve their capacity to administer existing trade and integration agreements; promote the reduction of tariff and non-tariff barriers and the bureaucratic hurdles that limit efficiency and profits from trade, as well as the movement of goods in the global logistics chain; and increase the region's contribution to world food security.
- ***Harnessing the potential of intraregional agricultural trade.*** This will call for efforts to improve the capacity to identify opportunities and potential niche markets, and promote the development of regional value chains.

The region has numerous institutions and mechanisms tasked with promoting and implementing specific aspects of regional integration, e.g., technological innovation and broader areas of the economy, trade, and policy. However, for the most part, the achievements of these mechanisms and institutions have not been as effective as expected. In the current international context, efforts are needed to make significant progress with regional cooperation and integration.





## IICA's experience in this area<sup>3</sup>

In recent decades, IICA has focused on various aspects of regional and trade and integration. For the purposes of our analysis of the challenges that the Program needs to address, the aspects in question can be grouped into two major areas: a) international trade policy and the institutional framework; and, b) the promotion of trade and agribusiness.

### International trade policy and the institutional framework

During the Uruguay Round negotiations and certain bilateral and multilateral negotiations, IICA assisted the countries of the Americas with their preparations for the meetings involved. It supplied information to support the

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3 Over the course of its history, IICA has had various entities devoted to trade and integration, such as the Policy and Trade Unit; the Center for Integration and Agribusiness Development (CIDAIE); the Area of Agribusiness and Commercialization; the Inter-American Program for the Promotion of Trade, Agribusiness and Food Safety; and the Flagship Project “Competitiveness and Sustainability of Agricultural Chains for Food Security and Economic Development”.

agricultural negotiations and trained representatives of the public and private sectors on the scope and implications of what was being negotiated.

IICA has been an Observer Member of the WTO Committee on Sanitary and Phytosanitary Measures (SPS) since 1999. At the meetings held by the committee three times a year, countries are able to raise specific trade concerns related to the implementation of SPS they consider unjustified. During these meetings, the countries also discuss significant changes in their national legislation with respect to SPS, while the international standard-setting agencies (Codex Alimentarius, the International Plant Protection Convention and the World Organisation for Animal Health) share information about their work. As an official observer, IICA shares this information with the member countries after meetings. Furthermore, it usually assists the SPS Secretariat with the implementation of national and regional workshops and events held separate from SPS committee meetings.

IICA has also been an Observer Member of the WTO Committee on Agriculture since 2010. This means that every year the two institutions are required to approve and execute a joint work plan (WTO 2019a) for technical cooperation on agricultural issues of interest to them and their member countries. This committee meets three times a year, and a technical bulletin is prepared after each meeting detailing the main matters addressed, so that IICA's member countries are aware of the agricultural issues being discussed at the multilateral level.

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## **IICA and the WTO publish a technical note on trade and food security each year.**

Every year, the WTO asks the intergovernmental international agencies that have been granted observer status by the Committee on Agriculture to prepare a technical note on the work they have carried out—in IICA's case, in the areas of trade and food security. These activities are reported to the WTO member countries under the terms of the Marrakesh Decision for Net Food-Importing Developing Countries. The information is consolidated in a technical document presented at the last meeting of the committee each year.

IICA has produced eight technical notes requested by the WTO under the partnership between the two institutions that has existed since 2010 (WTO 2018b).

Under their partnership, between 2010 and 2018 IICA and the WTO held **9** technical forums and **12** regional workshops for **19** Latin American countries. In addition, since 2012 has operated a **WTO Reference Centre** that has dealt with more than **2491** technical consultations, and collaborated with nearly **35** training activities on international trade policy and the institutional framework.

Furthermore, IICA has trained more than **3800** development actors and agents from **140** public institutions, academics and agricultural organizations from its 34 member countries on issues related to the negotiation and administration of international trade agreements, and effective participation in international or multinational forums and institutions.

## Trade promotion and agribusiness

IICA has more than 15 years of experience in promoting trade and supporting the internationalization of agrifood enterprises. During that period, it has carried out joint work with export promotion organizations, ministries of trade and agriculture, and groups of producers and exporters. As a result, more than **12,000** agents and representatives of public and private organizations in IICA's 34 member countries have enhanced their expertise in areas such as entrepreneurial skills and associative operations, the preparation of export business plans, the identification and fulfillment of the requirements for exporting to specific markets such as the United States, Canada, and the European Union, and quality and safety management. In addition, more than **500** companies have received technical assistance to help them establish links with export markets by participating in trade fairs and missions.



### IICA and its relationship with the FITT.

IICA has been a member of the Forum for International Trade Training (FITT) for 20 years, and holds an exclusive license for the use of AgFITT materials in LAC (specialist materials focusing on various areas of the agrifood sector). Under this partnership, the FITT contributes its knowledge of international business, while IICA uses its knowledge and experience in the agricultural sector to implement high-level training processes geared to specialization and differentiation.

# The International Trade and Regional Integration Program

The technical cooperation provided under the Program focuses on promoting agrifood trade and supporting regional integration processes and the articulation of trade policy. In addition, specialized information is available from the reference center on trade agreements.

## Promotion of agrifood trade

To foster agrifood trade, the Program promotes **trade policy actions** designed to improve the administration and use of international trade agreements in the countries of the Americas; supports the effective participation of the countries in international forums; supplies information about trade agreements;

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BOX

## Trade agreements in the countries of the Americas.

As of April 2019, IICA's member countries currently have 133 trade agreements and 49 under negotiation. There are also four customs unions in the Americas: the Andean Community (CAN), CARICOM, the Central American Common Market, and MERCOSUR. The countries with most trade agreements in place are Chile (20), Peru (16), and Mexico (15). For the most part, the partners involved are countries that are members of the Inter-American System. The CARICOM countries as a region have signed four agreements with several Central American countries, the Dominican Republic, and the European Union.

Source: IICA 2019c, based on IDB data for 2019.

conducts prospective analyses of trade scenarios and their repercussions and impact on trade agreements (FTA); and supports the monitoring of new agricultural trade negotiations among the countries. It also carries out trade promotion and internationalization actions to enable agrifood companies and producers' organizations to take maximum advantage of the opportunities offered by trade agreements and integration processes.

The actions promoted by the Program to **improve the administration and use of international trade agreements** in the countries of the Americas include the harmonization and reduction of tariff barriers, and the standardization and modernization of some non-tariff barriers. The Program also assists member countries in monitoring trade policy commitments and negotiations, and in familiarizing themselves with the trade agreements negotiated and the trade opportunities available under them for importing and exporting specific products.

Thanks to its status as an observer member of the WTO committees on agriculture and sanitary and phytosanitary measures, IICA is in a position to promote the effective participation of its member countries in that multilateral forum. The various sorts of actions that the Institute implements include ongoing assessments of the technical needs of the Central American and Caribbean countries with regard to agricultural notifications. These assessments will then be used to identify joint technical cooperation activities with the WTO and any of the Program's other strategic partners, which include the Latin American Integration Association (ALADI) and the International Trade Center (ITC).



To boost the impact of trade policy through its institutional links, IICA complements and strengthens various thematic areas, such as trade facilitation, sanitary and phytosanitary issues, traceability and infrastructure, logistics and port management.

In the area of **trade promotion and internationalization**, the Institute is helping to strengthen the institutional framework that underpins the supply chain by promoting the management of global and regional value chains and the capacity of businesses to achieve a permanent presence in markets.

## Support for regional integration processes

With regard to regional integration processes and the articulation of trade policy, the Program supports and provides follow-up to regional technical groups set up to facilitate regional economic integration. These groups include the Technical Group on Competitiveness, Trade and Agribusiness, in the case of the CAC countries; the Technical Group on Agricultural Policy Information and Analysis, and the Technical Group on Market Information Systems, for the CAS countries; and CARICOM's Council for Trade and Economic Development (COTED). Technical groups established under new regional integration agreements will be also taken into account. In addition, the Program fosters processes designed to promote the standardization and harmonization of regulations and the adoption of trade facilitation measures.

### 5 BOX

## Creation of the Forum of Ministers of Agriculture under the aegis of the Pacific Alliance.

IICA is working on an initiative to set up a forum of ministers of agriculture of the Pacific Alliance member countries, with the Institute acting as a bridge and platform for dialogue and cooperation among the parties.

## Provision of information about trade agreements

To complement the efforts of other agencies, such as the Inter-American Development Bank (IDB), the WTO, ALADI, and the Economic Commission for Latin America and the Caribbean (ECLAC), IICA is working with the regional integration bodies to create a register of trade liberalization and economic complementarity agreements signed by countries in the hemisphere that have entered into effect. This register will be limited to the elements that affect trade in agroindustrial products.

### BOX 6

#### IICA Reference Centre for Information about Trade Agreements.

In the second half of 2018, IICA conducted a feasibility study to determine whether it was viable to create a center to keep track of the agroindustrial commitments made by the countries of the Americas in free trade or economic complementarity agreements. The study concluded that the Institute had the capacity to do so. It also identified and analyzed the databases containing the trade agreements of LAC and other regions of the world. In addition, IICA consulted experts in international trade and agriculture about the databases of existing trade agreements and the Institute's future database. It also determined the technical and substantive elements needed to define the niche and content of a specialized tool on the agricultural matters addressed in the trade agreements signed by the countries of the Americas. Lastly, a technical proposal was prepared for development of the tool. During the first half of 2019, a roadmap will be drawn up plotting the various stages in the implementation of this initiative.

The Program also includes interdisciplinary actions incorporating the two cross-cutting issues (innovation and technology, and gender and youth):

In relation to **gender and youth**, and as a means to eliminate inefficiency and tap the potential of women and youth to achieve greater competitiveness, the Program's plan of action calls for the following: a) incorporation of inclusive

criteria and affirmative actions into projects implemented in the countries under the Program; b) cooperation for gender equality and youth under the aegis of regional integration mechanisms; and c) the sharing of experiences and the good practices of different countries and organizations in:

- The drawing up of inclusive legal frameworks for trade agreements.
- The elimination of discriminatory barriers to entrepreneurship.
- Marketing and exporting by firms led by women and young people.
- Trade facilitation measures to reduce the costs of small businesses in which women and young people play a major role.
- Gathering of information on the role of women, men, and young people involved in international trade.

Trade policy and regional integration issues are compatible with innovation processes involving institutions, policies and instruments that enable the governments of IICA member countries to abide by their commitments and to prepare for future trade negotiations, thereby creating an environment that is more conducive to innovation. Information and communication technologies





provide alternative ways to innovate in managing information on trade agreements. On the other hand, trade promotion and internationalization require innovation in production processes throughout chains in order to develop competitive agribusinesses at the international level.

Some proposed actions are:

### **Awareness- and capacity-building to support innovation processes**

- Give greater prominence to and emphasize the issue of innovation in policies and trade instruments.
- Manage knowledge drawn from the experiences of innovation cooperation mechanisms to provide support for the organization of trade-related mechanisms and technical support groups, and their interrelationships.
- Capitalize on the organizational experiences and linkages of innovation cooperation mechanisms at the regional level (PROCs), in efforts to support trade and integration.

### **Promotion of innovation processes and systems**

- Contribute to the development of innovation strategies or roadmaps for projects, in order to tailor the supply to meet the needs of the market or to enable producers to access markets. The experiences of mechanisms such as PROCISUR, ICOA, PROMECAFE and PROCITROPICOS can provide a frame of reference or they can partner in these initiatives.
- Drive the development of innovative products and production processes to enhance productivity and the sustainability of businesses and producer organizations.
- Promote innovation in processes and in the organization of available support services to tailor the supply to meet the needs of the market.

### **Access to alternatives, developments, experiences and analysis**

- Contribute to the development of innovation tools that facilitate access to information on international trade agreements.

# The linking of trade with the sustainable development goals (SDGs).

How does trade contribute to the achievement of the main SDGs?

## **SDG 1: No poverty**

There is increasing evidence that well planned and strategically executed trade policy initiatives can impact positively on sustainable poverty reduction. Trade opening has also generated higher living standards through greater productivity, increased competition and more choice for consumers and better prices in the marketplace.

## **SDG 2: Zero hunger**

Eliminating subsidies that cause distortions in agriculture markets will lead to fairer, more competitive markets, helping both farmers and consumers while contributing to food security.

## **SDG 5: Gender equality**

Trade can create opportunities for women's employment and economic development. Through trade, job opportunities for women have increased significantly. Jobs in export sectors also tend to have better pay and conditions. Export sectors are an important job provider for women in developing countries.

## **SDG 8: Decent work and economic growth**

Trade-led inclusive economic growth enhances a country's income-generating capacity, which is one of the essential prerequisites for achieving sustainable development.

## **SDG 9: Industry, innovation, and infrastructure**

Trade produces dynamic gains in the economy by increasing competition and the transfer of technology, knowledge and innovation. Open markets have been identified as a key determinant of trade and investment between developing and developed countries, allowing for the transfer of technologies which result in industrialization and development, helping to achieve SDG 9.

## **SDG 10: Reduced inequalities**

Changes in development patterns have been transforming prospects of the world's poorest people, decreasing inequality between countries. WTO rules try to reduce the impact of existing inequalities through the principle of Special and Differential Treatment for Developing Countries.

## **SDG 17: Partnerships for the Goals**

SDG 17 recognizes trade as a means of implementation for the 2030 Agenda. The targets under this goal call for: countries to promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system; the increase of developing countries' exports and doubling the share of exports of least-developed countries (LDCs); and the implementation of duty-free and quota-free market access for LDCs with transparent and simple rules of origin for exported goods. The WTO is the key channel for delivering these goals.

Source: WTO 2019b.

## The Program's supply of technical cooperation

The Program's actions will focus on the following areas:

- a. Conduct useful assessments, mappings, and prospective analyses of the trends in the international context and trade, as well as the economic, trade-related and technological implications of the trade negotiations.** The aim is to contribute high-level technical assistance to equip the member countries to take strategic decisions that enable them to take full advantage of existing trade agreements and thereby reduce barriers to trade and investment. These efforts will also make it possible to determine the degree to which agreements are being underused, since they can help to boost productive, business, technological and human resource capacities. Governments will gain a better grasp of the opportunities that agreements afford their countries; the possible areas for creating partnerships with local investors that facilitate access to chains, restaurants, and hotels; and the support policies that may emerge with regard to access to credit, technologies, business training, and the promotion of exports. IICA is designing training modules to strengthen all these capacities.
- b. Participate in the improvement of the institutional architecture of multilateral, regional, and bilateral trade.** IICA provides technical assistance to the countries of the Americas so that they can devise national and regional strategies to enable them to take advantage of current trade agreements.
- c. Coordinate efforts with regard to competitive trade intelligence.** This is a capacity that governments will need in the future to negotiate trade agreements and develop the policies required to take advantage of them. For their part, businesses will need to know the best way to operate successfully in other markets, especially in culturally, politically and economically diverse regions. IICA assists countries in enhancing their capacity to identify trade opportunities and potential market niches, and to tailor production to market requirements (quantity, seasonality, health, safety and quality). The Institute also helps countries to incorporate specialized products into their export markets, as each market has its own particular features and nuances, which also have to be considered in situation analyses in order to make decisions about the exporting or importing of a given product. Lastly, IICA collaborates with its member countries in the identification of future markets.

- d. **Support the strengthening of coordination and cooperation mechanisms, especially at the interregional level, as well as dialogues and the implementation of concrete actions with important private sector agribusiness actors.** It is crucial that advantage be taken of regional integration to increase the possibilities of international trade and thus improve the region's role in international trade negotiation forums. In this regard, strategies are needed to identify bottlenecks that businesses face as they endeavor to gain traction in international markets.

### *The Program's modus operandi*

It is essential for IICA's International Trade and Regional Integration Program to have networks for knowledge management. Hence, it has an advisory committee, a core Program coordinating team, IICA technical specialists, experts at centers of excellence and research institutions, and a community of other technical specialists. Together, they make up the international trade and regional integration network. They have broad experience in research and in the Program's main thematic focuses and technical areas.

The consolidation of strategic partnerships is another important element of the underpinnings of the Program. Solid strategic partnerships already exist, related to different areas of research and knowledge production, with leading institutions such as the WTO, the FITT, the Market Information Organization of the Americas (MIOA), ALADI, and the Secretariat for Central American Economic Integration (SIECA). Another will be established shortly with the International Food Policy Research Institute (IFPRI-CGIAR).



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