



The Pacific Alliance

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**The Pacific
Alliance**



What is the Pacific Alliance?



The Pacific Alliance is an initiative of deeper integration to achieve economic growth with social inclusion.

To become member it's necessary to:

- Have free trade agreement among member States.
- Respect the rule of law, democracy and the constitutional order.



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- **Membership:**
Chile, Colombia, Mexico and Peru.

- **Important dates:**

**April 28th,
2011**

- **Adoption of the Lima Declaration.**
- **Creation of the Pacific Alliance.**

**June 6th,
2012**

- **Signing of the Framework Agreement of the Pacific Alliance.**
- **Formalization of the mechanism.**

**February
10th, 2014**

- **Signing of the Additional Protocol to the Framework Agreement of the Pacific Alliance***
- **100% trade liberalization (92% immediate tariff elimination and 8% gradually in phases).**



*in process of ratification by their members' congresses.

Common Characteristic

- Stable democracies.
- Drive further growth, development and competitiveness of the economies of its members.
- Open regionalism.
- Big projection to the Asian Pacific region.
- Effective cooperation space.
Common aspiration to economic growth, employment generation, innovation and technological exchange with the most competitive regions around the world.



Goals

1. To build, in a participatory and consensual manner, an area of deep economic integration and to move gradually toward the free circulation of goods, services, capital and persons.
2. To promote the larger growth, development and competitiveness of the Parties' economies, aiming at achieving greater welfare, overcoming socio-economic inequality and achieving greater social inclusion of their inhabitants.
3. To become a platform for political articulation, and economic and trade integration, and project these strengths to the rest of the world, with a special emphasis on the Asia-Pacific region.

Goals

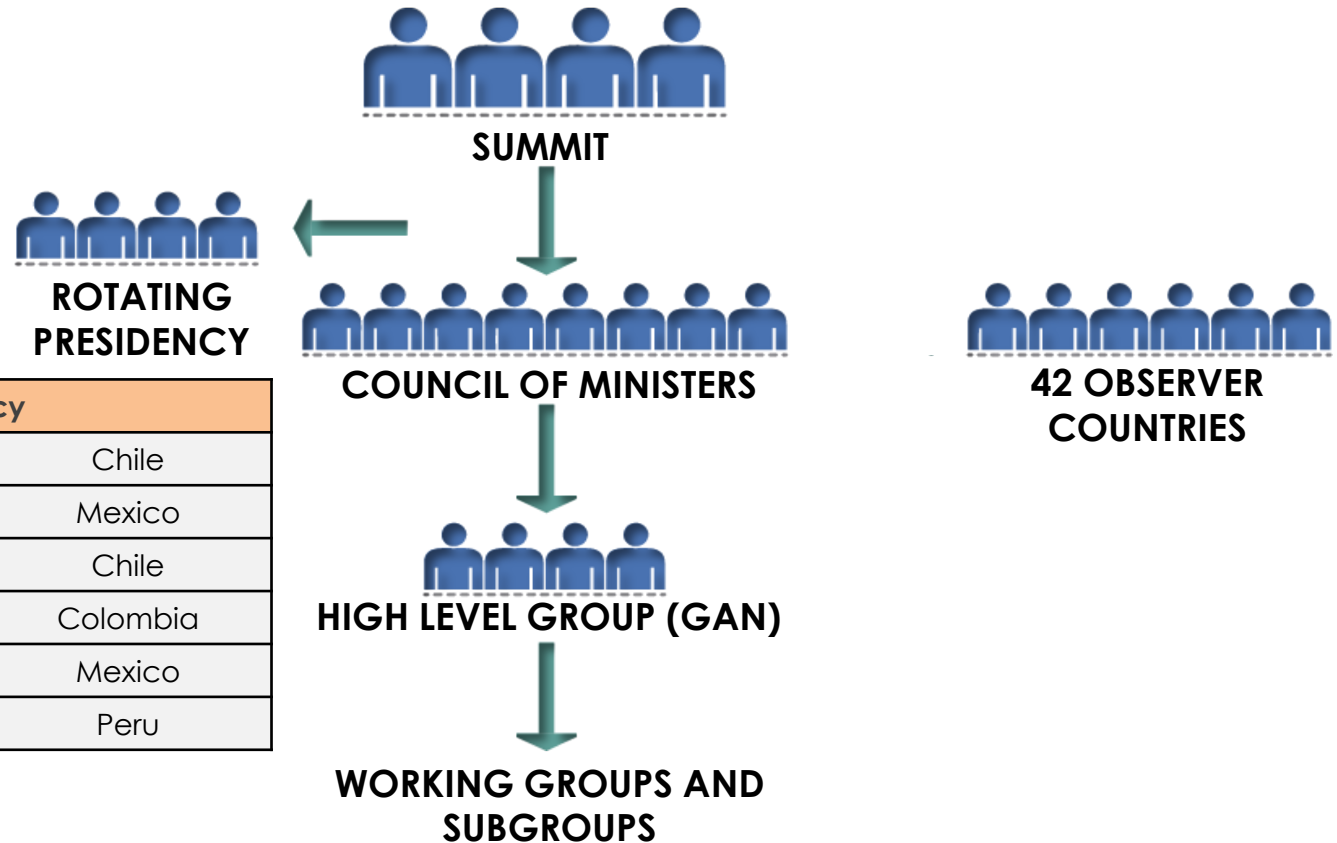
To achieve its goals the Alliance is:

- Liberalizing commerce of goods and services to consolidate a free trade area;
- Advancing progressively towards free movement of capitals and promoting investments;
- Implementing measures aimed at fostering trade facilitation and customs efficiency;
- Promoting cooperation among immigration and consular authorities, and facilitating the movement of people;
- Increase coordination among member countries to control and prevent organized crime, in order to strengthen institutions of justice and security, and,
- Developing cooperation in order to promote integration.



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Structure and Meetings



Rotating Presidency

Rotating Presidency	
April 2011- December 2011	Chile
December 2011- March 2012	Mexico
March 2012- May 2013	Chile
May 2013- June 2014	Colombia
June 2014- June 2015	Mexico
July 2015- June 2016	Peru

Meetings

Meetings			
Summits	10	High Level Group Meetings	30
Minister Council Meetings	14	Technical Groups Meetings	21



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Finance Ministers of Pacific Alliance

Respond to a new strategy of integration that is going beyond the business, but toward an economic and financial integration with **4 great elements** based on 4 groups of work which have been created.

- Financial Integrity
- Infrastructure Investment
- Catastrophic Risk Management
- Fiscal Transparency



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Structure CEAP

- **Pacific Alliance Business Council (CEAP, in Spanish)** is composed of high level entrepreneur from the four countries.
- Its main objectives include:
 - Promote the Pacific Alliance among member countries as well as with the global business community.
 - Suggest actions to set in motion the integration process and the economic and commercial cooperation between our countries.
 - Drive and suggest views and joint actions towards third markets, particularly the Asia-Pacific region.
 - Present recommendations in the cooperation areas to the four countries business associations.



Iniciatives

- Joint Commercial Offices: Istanbul, Turkey and Casablanca, Morocco;
- Joint presentations: Forum and Seminars in France, UK, Spain, Taiwan, Singapore, China, Russia, India, Poland, South Korea, United Arab Emirates and Japan;
- Joint participation in international fairs like Anuga, Germany; Seoul Food Hotel South Korea; Fine Food en India; Food Taipei, Taiwan; SIAL, Paris; Guanajato (Cervantino), México; and soon in Macao, China.
- Macro Business Conferences, Cali (June 2013); Puerto Vallarta (May 2014); Paracas (June, 2015).
- Business Forum in the same time at the presence of the Presidents of the 4 countries at UN Assembly, September 2013, 2014 and in 2015.
- Joint Embassies: Ghana (the 4 countries), Vietnam (Peru-Chile), Algeria (Colombia-Chile), Azerbaijan (Colombia-Mexico-Chile), Morocco (Colombia-Chile), Singapore (Colombia-Mexico), OECD (Colombia-Chile).

Pacific Alliance strengths

Chile, Colombia, Mexico and Peru represent 37% of GDP, almost 50% of trade and the 47% of Latin America investment.

Macro-economic indicators 2013

Países Miembros	Superficie (miles de km2)	Población (millones de habitantes)	PBI (miles de millones de US\$)	PBI per-capita (miles de US\$)	Exportaciones Millones USD (FMI)	Importaciones Millones USD (FMI)	% Crecimiento Anual 2008-2012 (World Bank)
México	1,964.4	122.3	1,261	10.3	380,095	381,210	3.9%
Colombia	1,138.9	48.3	378.1	7.8	58,821	59,381	4.0%
Perú	1,285.2	30.4	202.3	6.7	41,871	40,953	6.3%
Chile	756.1	17.6	277.2	15.8	77,367	79,616	5.6%
Total	5,144.60	218.60	2,118.60	40.54	558,154.00	561,160.00	



La Alianza del Pacífico hoy



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Relationship with Japan

- Cooperation in development of infrastructure (Master Plan Infrastructure of the Pacific Alliance). Seminars pending in Chile and Peru.
- University exchanges between PA and Japan. Internship programs.
- Japan business council interested to dialogue with the AP Business Council.





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Accomplishments

Free movement of persons

Elimination of visas (average increase of 30% of intra-PA income, 2013-2014).

Nationals of PA countries may receive consular assistance from another Member State where their country is not represented.

Shared commercial and diplomatic representations.

Traveler and Tourist Guides for tourism promotion and exchange of business people.

Platform for Immigration Security Immediate Information Exchange.

Holiday and Work Program for youth.

Free movement of goods and services

Additional Protocol to the Framework Agreement (100% of trade liberalization).

Cooperation Agreement between health agencies ensuring bioequivalence of generic drugs to cut the costs of medicines up to 70%.

2 business macro rounds for promoting trade and investment that closed business deals for more than US \$ 100 mdd.

Free movement of capitals

Mexico's integration to the Latin American Integrated Market (MILA), purchase and sale of shares (first operation on December 1, 2014, in 2015 Initial Public Offerings (IPOs) and purchase of government bonds).

Retirement Funds Managing Agencies may invest in stock markets of all countries of the Alliance.

Cooperation

Pacific Alliance Cooperation Fund (projects in the areas of Environment and Climate Change, Innovation, Science and Technology, Social Development, Education and Tourism).

Platform for Academic and Student Mobility (657 fellows from 2013 to 2014).

Sports diplomacy.

Cultural cooperation: Join exhibitions

Work in progress

Movement of people	<ul style="list-style-type: none"> ✓ Information Exchange Platform on Migration (interconnectivity and signature of an operational protocol and information exchange agreement). ✓ MOU for temporary stay of business people for over 180 days. ✓ Reduction or exemption of costs in services and immigration tariffs.
Movement of goods and services	<ul style="list-style-type: none"> ✓ Finance Fund for SMEs in collaboration with IDB. ✓ An study to promote trade of agriculture products (intra and extra trade). ✓ Negotiation of telecommunication and e-commerce dispositions. ✓ A Regulatory Coherence chapter. ✓ Sectorial annex to cosmetic industry. ✓ An study of ecosystems of innovation. ✓ Interoperability of the single window. ✓ Intellectual property projects (information dissemination and technology transfer, trademark classification, assessment of creativity, copyright and appellations of origin).
Movement of capitals	<ul style="list-style-type: none"> ✓ Study regarding the development of policies that promote foreign investment. ✓ Coordination program among development Banks (investment certainty). ✓ Integrated Latin American Market: <ul style="list-style-type: none"> ▪ Direct access to stock market for Member States ▪ Direct access to bonds market for Member States
Cooperation	<ul style="list-style-type: none"> ✓ Pacific Alliance Cooperation Fund Agreement (projects relating to climate change, innovation, science and technology, social development, education, and tourism) ✓ Pacific Alliance Scholarship Program ✓ Sports diplomacy ✓ Cultural cooperation

Outlook

After the X Summit of PA, (July 3rd. 2015, Paracas, Peru). 20 news presidential mandates:

- Comparative development technical education systems among AP members. Expansion human capital capacities and relationship between productive and educational sectors;
- Identification of mechanisms to strengthen the supply of medicines and quality medical services;
- Establish a Joint Innovation Bureau; Innovation Prize; Technological Transfer Forum and Business Development Network;
- Creation of Venture Capital Fund to SMEs;
- Integration and harmonization of exports (deregulation process);
- Internationalization and insertion of SMEs to the global value chains values. OECD survey;
- Strengthen of agricultural commerce within and outside PA to the exports markets.

Outlook

News topics:

- Construction of common digital agenda;
- Inclusion of gender perspective as a transversal element within PA;
- Strengthen governance in mineral resources, social responsibility and good practices in mining, investment and minerals trade;
- Cultural Exhibition: “Textiles of Pacific Alliance”;
- Creation of technological platform for broadcast data and technological transfer;
- PA common position to COP21;
- Common agenda within the Ministries of Finance: financial integration; infrastructure investment; management of risk reduction; administration and fiscal transparency;
- Increase of member States; Candidates-Observers: Panama and Costa Rica; Honduras?. New Zealand accession to the commercial protocol, etc.

Some numbers

- ✓ Over **855 students** have benefited since the creation of the Platform for **Academic and Student Mobility**
- ✓ With the Additional Protocol, companies from member countries have a **potential market** of **over 216 million** people. With this protocol, there will be an and immediate tariff reduction that covers 92% of the common goods (once the agreement enters into force), and a gradual liberalization for the 8% of the remaining goods, in the short- and medium-term (especially corn, wheat, coffee, bananas, beans and potatoes). Sugar is the only exclusion.
- ✓ In 2014, tourism from the Pacific Alliance member countries accounted for 1.3 billion dollars.
- ✓ Creation of **Latin America's largest exchange market** through the consolidation of the Latin American Integrated Market (MILA), with **986 firms** and **994 billion dollars** in capitalization value. This is the big exchange market in Latin America.
- ✓ **Working Vacation Program** for youths: each member country will offer **300** visas under this scheme per year.

THANK YOU!