



AL-INVEST IV INFORMS

N°21 - APRIL 2011



AL-INVEST IV - EUROCHAMBRES - Avenue des Arts, 19 A/D - B-1000 Brussels - info@al-invest4.eu



www.al-invest4.eu

CONTENT

Special Issue on Latin America-EU Trade Agreements

Editorial
Pushing The Reset Button
in Latin America-EU Relations1

Brussels
Investing in Latin America's Boom2

Central America, Mexico and Cuba
Costa Rica: The EU Is The Second Most
Important Trade Partner of Costa Rica2

Mexico: Association Agreement3

Guatemala: Satisfying European
Consumers3

Andean Region
Colombia and Peru: The Figures of
the Free Trade Agreement3

Interview to...
Izaskun Arregui,
Chamber of Commerce of Bilbao
Sergio Navas, Vice-president of the
Chamber of Exporters of Costa Rica4

Activities
The Substantial Contribution of Export
Helpdesk (EC) to AL-INVEST IV (Brussels)5

More Than 200 Business Meetings
(Uruguay)5

Technological Innovation, On The To-Do
List of Latin American SMEs (Brazil)5

Designer's Leather (Paraguay)6

Success Cases
Technological Mission to Jewelry Fairs,
CESES6

Horneados Únicos, Santa Cruz, Bolivia6

Brussels Talks about...
The EU, Colombia And Peru Pronounce
The Commercial "Yes, I Do"7

Coming up & Contact7

Special Issue on Latin America-EU Trade Agreements

EDITORIAL

Pushing The Reset Button in Latin America-EU Relations

If something has defined 2010, it has been the efforts of European Union countries to escape the crisis. Even though they have grown their economies by 2%, the figures indicate the scenario was not as harsh for other world players, paradoxically, the Latin rhythm was faster than the Communitarian. While Member States were swimming against the tide to escape from drowning, Latin America grew by 6%, that is, three times the growth of the 27 countries, members of the EU.

This new scenario was analyzed in a debate organized by EUROCHAMBRES and the think tank Friends of Europe under the umbrella of the AL-INVEST IV Program. High-profile personalities from both sides of the Atlantic, ranging from euro-parliamentarians and ministers to ambassadors, civil servants and entrepreneurship representatives were seen at the event celebrated on the 15th of March in Brussels.

The discussion opened a crack in the door for a flood of questions: Are the tables turning? Should the reset button be pushed to reboot EU-Latin America relations? What role does the private sector play in this?

According to Mario Pezzini, Director of the Development Center of the Organization for Economic Co-operation and Development (OECD), "if there is a window of opportunity, it must be used. Otherwise, another opportunity will be lost", he said about the opportunity European companies have to take advantage of a booming market: Latin America.

Despite the fact that both sides are working in full swing and progressing many trade agreements, China is stepping on strong and progressing fast in the Latin American continent, evidencing that trade agreements with twenty-seven parties involved follow a different pace. Anabel González, Foreign Trade Minister of Costa Rica, highlighted that while the EU and Central America have been nego-

tiating their Free Trade Agreement for three years, China has negotiated the equivalent in one year and signed it the next.

The burden of Europe's domestic affairs is weighing it down. In the case of the EU-Mercosur Association Agreement, European farmers continue to show vehement opposition against its contents because of the repercussions its eventual signature will have on their pockets. "We are negotiating with countries that are amongst the most competitive worldwide in agricultural matters, which obviously raises some concern in Europe", recognized João Aguiar Machado, Chief Negotiator for EU-Mercosur Trade Negotiations and European Commission Deputy Director General for trade.

Even so, the Co-President of the EU-Latin America Parliamentary Assembly, José Ignacio Salafranca, is optimistic about the final result of the negotiations: "If there is a will, there is a way", he assured.

But all that glitters is not gold, and Latin American countries also have some homework to do. Laura Frigenti, Director of Strategy and Operations for the Latin America and Caribbean Region at the World Bank, recommended Latin American governments to improve their education and infrastructures.

Elar Eduardo Paz, president of the Chamber of Industry and Commerce of Bolivia, stated as well that Latin American SMEs "need to progress in technology" something they can obtain "from their European partners". Similarly, he called for greater education "both in great schools and technical qualification centers".

Ingredients abound in both regions for everybody to be happy with their share of the pie. Now the only thing left to do is cook the recipe carefully and on a low flame, but not resting on your laurels.

Beatriz Manrique, Manager at Aquí Europa
Information media about the European Union

Support to the SMEs' internationalization in Latin America

AL-INVEST IV program has European Union funds

This publication has been made with the assistance of the European Union. The sole responsibility for its content lies with AL-INVEST IV and in no case shall it be deemed to reflect the EU point of view.

The leaders of the Latin American Consortia travelled to Brussels from March 14 to 18 to attend several events and meetings, including some with the European Commission. During these days, the partners participated in a political-economic summit and a business encounter as well

Investing in Latin America's Boom

Latin America offers great business and investment opportunities for Europe and vice versa. This is the message relayed at the discussion that took place on March 15 in Brussels. The title was 'Investing in Latin America's Boom. Can its Jaguars catch up with Asia's Tigers?', and it brought together high-profile personalities, such as Ministers, Euro-parliamentarians, Ambassadors and high-level Civil Servants from Europe and Latin America who shared their opinions on both continents.

The event was organized by EUROCHAMBRES and the think tank Friends of Europe under the umbrella of the AL-INVEST IV Programme.

Patricia Espinosa Cantellana, Foreign Affairs Minister of Mexico, highlighted the relevance of developing sustainable technology in the continent because it will improve the health and quality of life of the citizenship and it will strengthen the economy.

Anabel González, Minister of Foreign Trade of Costa Rica, pushed for improving the production and the industries. As she sees it, "we need to tackle poverty and inequalities by improving productivity and competition through innovation".

During the discussion, attendants were made aware of the fact that Latin America is strengthening relations with Asia, mainly with China, which could become a great competitor of Euro-

pean companies. The Asian country is already the largest trade partner of Brazil, Chile and Costa Rica.

For more information:

<http://www.al-invest4.eu/al-invest/eventos/investing-in-latin-america-s-boom>



From left to right: Héctor Rangel Domene, Chief Executive Officer of the Banco Nacional de Comercio Exterior (BANCOMEXT) and Director General of the Mexican National Financiera Development Bank Institution (NAFIN), Magdalena Álvarez, Vice-President of the European Investment Bank (EIB), Giles Merritt, Secretary General of Friends of Europe, Arnaldo Abruzzini, Secretary General of EUROCHAMBRES, Carlos Daniel Durand Chaud, President of the Lima Chambers of Commerce, Peru and Alejandro Jara, Deputy Director General of the World Trade Organisation (WTO).

Source: Services Consortium

Central America, Mexico and Cuba

Guatemala, Costa Rica and Mexico have strengthened the links with the other side of the Atlantic. The Association and the Free Trade Agreements have favored bilateral relations and have opened the way to trade between both shores

COSTA RICA

The EU is the second most important trade partner of Costa Rica

After entering into the Association Agreement between the EU and Central America, trade relations between both players have strengthened. As far as Costa Rica goes, exports to the EU have increased for the last 4 years and the EU has become the second most important trade partner of the country.

AL-INVEST IV has worked to promote trade between both parties as well. The Program has launched several initiatives to build bridges between businesspeople in both regions. The fairs, the business rounds and the trade missions have been key and have favored direct contact between the parties interested.

Contact: Maricela Hernández
mhernandez@caezco.net



MEXICO Association Agreement

Bilateral actions between Mexico and the EU are quite significant. Currently, this country is the 21st trade partner of the EU and ranks 18th among exporters.

Besides, the EU is the second exporter to Mexico, after the USA, and it is the third importer, after the USA and China.

Relations between both parties were brought closer by the entry into force of the Association Agreement in 2000. The agreement pertains the trade of goods and services and includes chapters on how to the access to public procurement markets, competence, intellectual property rights and investment.

Contact: Angélica Espina angelica@eurocentro.mx



GUATEMALA

Satisfying European consumers

Guatemala enhances access to its products in the European market by signing the Association Agreement and negotiating 96% of tariffs.

Thanks to this agreement, the country will tap into a wide range of opportunities, such as diversification of markets, increased exports, stimulus to investment and creation of jobs.

Guatemala is aware of the requisites of European consumers, more and more strict and demanding high quality, healthy, eco-products. AGEXPORT is on the same page: in the framework of the AL-INVEST IV Program, it undertakes Training and Technical Assistance projects so that SMEs can implement quality rules and apply best practices to their production.

Contact: Haroldo Zaldivar
Haroldo.zaldivar@agexport.org.gt

Andean Region

The Free Trade Agreement between the EU and Peru and Colombia has become true. As planned, the agreement will enter into force in 2012 and it will increase business opportunities and reinforce trade relations between both Latin American countries and the EU

COLOMBIA & PERU

The figures of the Free Trade Agreements



The Free Trade Agreement between the EU and Peru and Colombia is in its final stages. Once the final documents have been endorsed and signed, the next step will be the official translation into the 23 official languages of the European Union, which is planned for early June this year, and the approval process by the Council and the European Parliament.

But, what does a Free Trade Agreement mean for Peru and Colombia? The agreement opens the way to great economic opportunities for both regions. Particularly, the agreement frees the trade of industrial products and the fishing sector.

Peru and the EU have already experienced an increase in trade compared to previous years. The EU is the third trade partner of Peru, after the USA and China. Exports and imports between both sides amounted to \$ 8,857 million in 2010, that is, 39.9% increase compared to 2009.

In the framework of the AL-INVEST IV Program, its partners are striving to assist companies in improving their management and internationalizing in this new scenario. In 2010 a total of 2,295 Peruvian SMEs benefited from activities offered and it is expected that for 2012 some 740 companies will take the step forward towards the European market.

On a different note, the Free Trade Agreement between the EU and Colombia opens a mighty window to strengthen and increase sales of non-traditional goods, that is, high-value-added goods. This country has also seen its exports to the EU grow in 2010, increasing by 6% compared to 2009.

Contact: Alexander Bernal León, Manager for Economic Affairs, ANALDEX - abernal@analdex.org

Business Meetings Between the European Union and Latin America

March 16, Brussels



In collaboration with the Chamber of Commerce of Bilbao and the Enterprise Europe Network (EEN) and with views to promoting cooperation between business organizations of the European Union and Latin America, the Coordination and Services Consortium of AL-INVEST IV Programme organized a business event last March 16.

The event took place in the Conference Center 'Diamant Brussels', and organizations from both sides of the Atlantic attended, such as Chambers of Commerce and Industry, investment agencies and financial institutions. The attendants established direct contact with each other and exchanged experiences. In total, 25 countries were present and 438 interviews took place.

Izaskun Arregui, co-organizer of the event and member of the Chamber of Commerce of Bilbao, and Sergio Navas, vice president of the Chamber of Exporters of Costa Rica, have told us firsthand how the business appointment unfolded.

For more information: <http://www.b2match.eu/eu-la2011/>



Interview To Sergio Navas, Vice-president Of The Chamber Of Exporters Of Costa Rica (CADEXCO)

Tell us about your experience at the 'B2B Meetings' event?

We received first-hand information on projects from our counterparts and we shared with them success cases celebrated by CADEXCO in our work to support SMEs' internationalization.

How do you rate the event?

It was extremely valuable to strengthen gained knowledge and experience, assess different services and expand the network of CADEXCO to European and Latin American organizations.

What is your action plan after results obtained in the meetings?

We will work to develop the ideas laid out in the short and medium term to undertake the innovative projects analyzed during the meetings. I must mention the initiatives developed with UNIDO, INTERCO, CEDIAL, CBI and the Chamber of Commerce of Barcelona.

How do you think this event will be positive to the core of your organization?

These activities favor synergies with counterparts and help look for business opportunities between Costa Rica and other Latin American and European countries, learn about and implement best practices from other organizations from around the world, create clusters and transfer technology.

Would you like to participate in a similar event?

Yes. We consider it is important to study the possibility to do so before the strategic planning of each AL-INVEST partner in September every year, so that we can link projects with the remaining institutions in the multiple countries to see what activities are best for each organization.



Interview To Izaskun Arregui, Member Of The Chamber Of Commerce Of Bilbao

How was your experience as co-organizer of the B2B event?

We were able to focus on promoting and spreading the event, on interviews and on short listing the profile of attendants.

What would you highlight from this event?

The avid interest of European and Latin American institutions to see each other and the possibility of making direct contact. We value highly the participation of institutions with experience in organizing this type of events because the turnout is better.

There were 77 participants in interviews coming from 70 different organizations. Were you satisfied with the turnout?

We are very happy with the turnout and the final response of participants. There are usually many people signing up for these events who then are no-shows, but this wasn't the case. We only had 3 institutions

cancelling and two more that couldn't make it did let us know in advance, which is very much welcome, because we had time to tweak the agenda.

How was the event rated by the attendants?

We carried out a small survey and the quality of the services rendered was seen as high. From one to five, we were above four in all cases.

What was in highest demand from the institutions?

Each participant requested interviews based on their profile. There were more than 438 interviews, a very significant number which proves attendants had the intention to meet as many institutions as possible.

The Substantial Contribution Of the Export Helpdesk (EC) To AL-INVEST IV

Aiming to inform developing countries on how to access EU markets, the Services Consortium of the AL-INVEST IV Program have started a collaboration plan with 'Export Helpdesk'.

It is a free online service courtesy of the European Commission that provides a platform for exporters to open their way in the European environment, so that they have within reach all types of advantages.

Through this very simple system, users can make searches on a specific product and find relevant information on requirements and tariffs, import duties, preferential tariff arrangements, rules of origin, trade statistics, links and contacts.

This collaboration will be jump-started with some potential workshops at the food fair of Cologne (ANUGA) and the wood fair of Valencia (MADERALIA) next October.

This plan includes the possibility to participate in thematic seminars and will highlight the technical requirements or presentations on the benefits of trade agreements for SMEs, among others.

Contact:

AL-INVEST IV - Corinne Santilian corinne.saintilan@al-invest4.eu



For more information: www.exporthelp.europa.eu

EXPORT
HELPDESK

More than 200 business meetings

March 23-25, Uruguay

Promoting the development of Uruguay and expanding business opportunities were the key objectives of the MVD BIZI 2011 event, organized by the Uruguayan Chamber of Information Technologies (CUTI by its Spanish acronym) and the Chamber of Industry of Uruguay (CIU by its Spanish acronym) in the framework of AL-INVEST IV.

The event brought together Latin American high representatives and businesspeople in the industry of Information Technologies, and it offered a wide range of activities. In total, 30 companies and foreign

institutions and 56 Uruguayan companies scheduled more than 200 business meetings regarding technology transfer and technical assistance, among other subjects.

The XXIII Annual Assembly of the Federation of Associations of Latin America, the Caribbean and Spain for Information Technologies took place as part of this event. It is a platform to exchange ideas, discuss and create networks bringing together 21 Latin American Chambers of Commerce.

Technological Innovation, On The To-Do List Of Latin American SMEs

May 19-20, Rio de Janeiro, Brazil

Rio de Janeiro has been the stage chosen to organize a Thematic Workshop on "Technological Innovation as a Factor of Competition for Latin American SMEs".

The event will take place on May 19 and 20, and it will offer the participants an open, 360° view of competition, the role of public and private policies, the technology cooperation practices and the functioning of networks and Technology Parks, among others.

The event was organized by the Coordination and Services Consortium of AL-INVEST IV Program in coordination with the Brazilian National Confederation of Industry (CNI). This activity aims to spur the investment of Latin American countries in science and technology. During the event, experiences from industrialized countries and emerging economies such as China, India and Thailand, which are allocating more and more money to these objectives, will be shared.

Senior representatives of technology institutes, clusters, technology parks, industrial development agencies and chambers of commerce from Latin America and Europe will participate. The partners of the CAMC, RA and MCV Consortia and representatives from Latin American and European institutions interested in participating may find more information and the registry form in:

Contact:

AL-INVEST IV, Services and Coordination Consortium:

Joaquim Cordeiro joaquim.cordeiro@al-invest4.eu

For more information: <http://www.al-invest4.eu/al-invest/eventos/innovacion>

AL-INVEST IV
INNOVACIÓN
TECNOLÓGICA
Y PYMES

Rio de Janeiro
Brasil - 19-20 de mayo, 2011



Designer's Leather

March, Asunción, Paraguay

A total of 35 producers from the capital of Asunción has benefited from a training program in designing leather and leather goods. SMEs, workshops and individual workers participated and learned from the knowledge of Mr. Giorgio Gadina and Gino Malinverni. These experts leading the event are working with Paraguayan companies to create an indigenous collection of shoe wear and wallets with Guarani motifs.

90% of attendants to the workshop have called it a success. After the positive results yielded by this experience, the Center for Business Cooperation and Industrial Development (CEDIAL by its Spanish acronym) will offer a hands-on workshop in Hernandarias, Paraguay, for which more than 45 people have registered.

Contact: servicios@cedial.org.py

For more information: www.cedial.org.py



Success Cases

Technological Mission to Jewelry Fairs, CESES

A group of jewelers-designers from Cusco, Peru, are anticipating their trip to Paris next September, where they will participate in Bijorhca, one of the most important Fairs of beads and accessories worldwide.

This group of businesspeople is trained already to appeal visitors to the event with their quality products. They have achieved this thanks to the European Confederation of Senior Expert Services (CESES) in the framework of the AL-INVEST IV program, through a training process with inter-institutional support.

For more than a year they have received the appropriate training by

means of Technical Assistance and Training with local, national and international experts. When this mission ended, the group had managed to lead the development of jewelry from Cusco.

They were selected from a pool of more than 50 jewelers from their region. This elite group has overcome tests put forward by the Dutchman Peter Kamps, who opened the doors to future trips in search of technical-professional skills to Europe.

Contact: ceses@skynet.be

For more information: www.ceses.net

Horneados Únicos, Santa Cruz, Bolivia

The company 'Horneados Únicos' has attained great milestones. This company specializes in baked buns, and it has experienced great progress in the business thanks to the effort to improve and support from AL-INVEST IV.

Marina Mercado, general manager of this Bolivian SME, participated in the Basic Accountancy and Cost Structure workshops to improve in the management of its company and make more efficient decisions.

This company has participated in innovation and market development and internationalization workshops. Similarly, by training company employees, a higher quality crafted product was obtained.

All these improvements have enabled this SME to successfully participate in the International and Multi-sectorial Fair Expocruz 2010, which took place in Santa Cruz. After the event, the company increased its portfolio of clients and its production by 15%.

Currently, it sends samples of its products to Madrid and it is starting to tap into the European market.

Contact:
horneadosunicos@hotmail.com



Marina Mercado, general manager of the company 'Horneados Únicos'

The EU, Colombia and Peru Pronounce the Commercial "Yes, I Do".

Sergio Díaz Granados, Colombian minister of Commerce and Carlos Posada, Peruvian vice minister of Foreign Trade met on April 13 in Brussels with Karel De Gucht, Trade Commissioner of the EU, in a ceremony to endorse the Free Trade Agreement between the EU and their respective countries

This ambitious agreement, which has an estimated general value of €500 million just in tariffs saved, must be translated into the 23 official EU languages before being passed by the Member States and the European Parliament. It will enter into force probably on the second quarter of 2012.

The Agreement will yield market opportunities to some EU exporting industries, which will benefit from cancelled tariffs.

The Union will open its market to Peruvian and Colombian exporters and will commit to the immediate liberalization of industrial and fishing products and will grant significant tariff concessions to agriculture.



From left to right: Carlos Posada, Peruvian vice minister of Foreign Trade, Karel de Gucht, Trade Commissioner of the EU and Sergio Díaz Granados, Colombian minister of Commerce.

Source: CE

Coming up

Events

BITS - Business Mission May 10, 2011 - May 12, 2011 (SC)

SMEs and Technological Innovation May 19, 2011 - May 20, 2011 (SC)

Academics in Latin America (to be confirmed)
May 30, 2011 - June 01, 2011 (SC)

Annual Meeting – Coordination and Services Consortia (to be confirmed)
June 15, 2011 - June 16, 2011 (SC)

Annual AL-INVEST Meeting (to be confirmed)
July 12, 2011 - July 14, 2011 (SC)

SIAL MERCOSUR August 31, 2011 - September 03, 2011 (SC)

SIMM Madrid 2011 September 01, 2011 - September 03, 2011 (SC)

Anuga 2011 - Köln October 08, 2011 - October 12, 2011 (SC)

Corporate Responsibility of SMEs
October 11, 2011 - October 13, 2011 (SC)

Publications

Sectorial analysis "Food and Beverages",
available in Spanish and Portuguese:

Spanish: <http://www.al-invest4.com/minisite/sector/index.html>

Portuguese: http://www.al-invest4.com/minisite/alimentacion_port/

"Fishing" sectorial analysis:

Available on our website on May 2011

Contact

For more information visit our website

www.al-invest4.eu,

or Check our Facebook profile



<http://www.facebook.com/pages/AL-Invest-IV-Consortio-de-Servicios/175340069146180?ref=ts>



Contact:

info@al-invest4.eu

Share your comments!



Leading editors:

Paolo Baldan, Director of the Coordination team

Simona Obreja, Communication Expert

AL-INVEST IV - EUROCHAMBRES- Avenue des Arts,

19 A/D - B-1000 Brussels -

info@al-invest4.eu

"The AL-INVEST IV Program is one of the most relevant regional economic cooperation programs of the European Commission in Latin America. The main goal of the IVth phase of the Program is to promote social cohesion by supporting Latin American SMEs in their consolidation and internationalization, sharing innovation and knowledge and creating economic relations with their European counterparts".