Cooperation and regional integration in Latin America and the Caribbean

COOPERATION AND REGIONAL INTEGRATION ORGANIZATIONS IN LATIN AMERICA AND THE CARIBBEAN

- **UNASUR**
  - Andean Community, CAN (1996)

- **Caribbean Community, CARICOM** (1973)

- **Central American Common Market, CACM** (1960)

- **Common Market of the South, MERCOSUR** (1991)

- **North American Free Trade Agreement, NAFTA** (1992)

- **Central American Integration System, SICA** (1993)

**LAIA**: Mexico, Cuba, Chile, countries of the Andean Community and Mercosur

**IBERO-AMERICAN COMMUNITY**: Andorra, Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Equador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Portugal, Dominican Republic, Spain, Uruguay and Venezuela

**RIO GROUP**: Argentina, Belize, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Equador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, Dominican Republic, Surinam, Uruguay and Venezuela

**OAS**: all the American independent States except Cuba
LATIN AMERICAN INTEGRATION ASSOCIATION (LAIA)

The ongoing effects of the world financial crisis resulted in diminished growth and a slump in international trade in 2009. According to estimates compiled in the IMF report World Economic Outlook, the drop in GDP worldwide is about -0.8%. This recession was very pronounced in the advanced economies which, taken together; showed negative figures of around -3.2%, with results in the Eurozone countries (-3.9%), the United Kingdom (-4.8%) and Japan (-5.3%) that were even worse than in the United States (-2.5%). As for the emerging countries, the results were extremely varied, with the Asian countries maintaining their growth rates while the rest generally showed negative figures. Hence, despite the crisis, China (8.7%) and India (5.6%) are outstanding in achieving vigorous growth, while the member countries of the Association of Southeast Asian Nations (ASEAN) also show growth, although in their case it is more gradual (1.3%). In contrast, the Russian Federation (-9%) and Mexico (-6.8%) were more acutely affected by the crisis, while the repercussions have been less in Brazil (-0.4%).

Similarly, the forecast for world trade flows was also negative and the report World Economic Situation and Prospects, a joint publication of the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development and the five United Nations regional commissions, indicates a decline estimated at around -12% for 2009 as a whole. In any case, the report also notes a tendency towards moderate recovery of trade flows owing to a rise in international prices for raw materials and the volumes of trade that have been sustained at a good level in some fast-developing emerging countries, China in particular.

Against this general background, the Latin American region also succumbed to the effects of the international crisis, which cut short six years of sustained GDP growth accompanied by improved social indicators. These are some of the conclusions of the Preliminary Overview of the Economies of Latin America and the Caribbean 2009, produced by the Economic Commission for Latin America and the Caribbean (ECLAC), which estimates a -1.8% drop in GDP for the region in 2009. According to ECLAC data, the repercussions varied widely among the different Latin American countries, with a group of small countries that held out on their path of moderate growth of between 1% and 3.5% (Bolivia, Dominican Republic, Panama and Uruguay). Then there is another group of medium-level countries (Argentina, Peru, Colombia and Ecuador) along with the Brazilian giant, these showing a flat-line GDP performance, while the other countries experienced drops that ranged from -1% in the case of Guatemala to -6.7% in that of Mexico.

With regard to the evolution of foreign trade in the Latin American countries, the ECLAC data reveal that in 2009 there was a drop in exports estimated at -23.4%, while the drop in imports was -24.4%. Meanwhile the balance of trade in goods and services remained at low but positive levels. Accordingly, in spite of a slight improvement, the current account deficit in the balance of payments held firm at about 0.5% of GDP. The tendency towards contraction in foreign trade was quite similar among the different countries, although they were affected in different ways because of prices and volumes. Countries exporting basic products suffered drops in prices while exporters of manufactured goods were affected by the reduced volume of goods exchanged. As for imports, in general, slowdowns were basically due to the diminished volume of purchases.

In this context, the overall foreign trade of the LAIA countries plummeted in 2009 with a drop of -22% in exports, which confirmed that the international recession had shifted to the Latin American countries by way of trade. In a comparison of the countries one sees that the decline in trade is generalised and in relatively similar percentages, although, in absolute terms, Mexico suffered the greatest loss (62,000 million dollars), followed by Brazil (45,000 million), Chile (19,000 million) and Argentina (14,000 million) so that, taken together, these four countries account for almost 90% of the drop in sales (see Table 1).

Overall imports, which fell by a figure of -25% for the totality of the LAIA countries in 2009, were affected by a lower domestic demand as a result of diminished consumption and investment in response to the crisis. In any case, the downturn in imports influenced, in good measure, the improved current account balance. Comparison of the countries shows that the drops have been generalised, although with rather varying impact. In absolute terms, Mexico again appears as having suffered the greatest decline (74,000 million dollars), followed by Brazil (45,000 million), Argentina (19,000 million) and Chile (18,000 million). Taken together, these four countries represent 87% of the downturn in purchases (see Table 2).

Interregional trade was also affected in 2009, which cut short a trade cycle that had been expanding steadily over five consecutive years to 2008. According to LAIA figures, trade between its member countries dropped by around -27% with both imports and exports, thus showing a trend that closely resembled the general decline in world trade (see Tables 1 and 2). In this context, trade flows between the different schemes of integration and the LAIA countries show a considerable slump in 2009. Among the most relevant situations is the decline in trade among the partners of the Southern Cone Common Market MERCOSUR, this amounting to almost 11,000 million dollars in absolute terms, as well as very significant losses in MERCOSUR trade with Chile, Mexico and the Andean Community. Equally momentous is the downturn in trade flows between the members of the Andean Community and the other LAIA countries, this amounting to a drop of a quarter or a third in comparison with the previous year, while trade between Chile and Mexico was depleted by a third (see Table 3).

ANDEAN COMMUNITY

Evolution of trade

Statistical estimates of the General Secretariat of the Andean Community (henceforth AC) are generally along the lines of LAIA and ECLAC data. The foreign trade figures for 2009 of the present AC members (Bolivia, Colombia, Ecuador and Peru) have fallen quite dramatically. According to AC estimates, overall exports fell by about -17% basically because of a downturn in prices for the main products exported by the Andean countries. Ecuador showed the worst result (-26%)
**TABLE I. LAIA COUNTRIES EXPORTS**

<table>
<thead>
<tr>
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</thead>
<tbody>
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<td>70,021</td>
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<td>-30.6</td>
<td>197,942</td>
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<td>37,626</td>
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<td>-12.7</td>
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<td>Chile</td>
<td>12,249</td>
<td>8,473</td>
<td>-30.8</td>
<td>69,022</td>
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<td>-33.8</td>
<td>18,511</td>
<td>13,762</td>
<td>-25.7</td>
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<tr>
<td>Mexico</td>
<td>14,132</td>
<td>10,121</td>
<td>-28.4</td>
<td>291,343</td>
<td>229,707</td>
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<tr>
<td>Peru</td>
<td>5,831</td>
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<td>31,163</td>
<td>26,625</td>
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<td>Uruguay</td>
<td>2,341</td>
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<td>-12.2</td>
<td>5,942</td>
<td>5,386</td>
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<td><strong>TOTAL</strong></td>
<td>127,913</td>
<td>94,039</td>
<td>-26.5</td>
<td>733,049</td>
<td>575,589</td>
<td>-21.5</td>
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1. Produced from data of the country informant. Information from Cuba and Venezuela not included.

Source: LAIA

Produced by: CIDOB

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**TABLE II. LAIA COUNTRIES IMPORTS**

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<tr>
<td>Argentina</td>
<td>23,437</td>
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<td>-33.7</td>
<td>57,423</td>
<td>38,771</td>
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<td>15,093</td>
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<td>29,896</td>
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<td>Uruguay</td>
<td>4,822</td>
<td>3,883</td>
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<td>9,069</td>
<td>6,907</td>
<td>-23.8</td>
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<td><strong>TOTAL</strong></td>
<td>121,364</td>
<td>88,373</td>
<td>-27.2</td>
<td>706,554</td>
<td>527,249</td>
<td>-25.4</td>
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</table>

1. Produced from data of the country informant. Information from Cuba and Venezuela not included.

Source: LAIA

Produced by: CIDOB

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**TABLE III. TRADE FLOWS BETWEEN DIFFERENT ORGANIZATIONS AND LAIA MEMBER STATES**

<table>
<thead>
<tr>
<th>Organization</th>
<th>2008 (million $)</th>
<th>%</th>
<th>2009 (million $)</th>
<th>%</th>
<th>Variation 2008/2009 %</th>
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<td>Intra-MERCOSUR</td>
<td>43,332</td>
<td>36.1</td>
<td>32,373</td>
<td>36.6</td>
<td>-25.3</td>
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<td>MERCOSUR-Chile</td>
<td>16,271</td>
<td>13.6</td>
<td>11,619</td>
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<td>-28.6</td>
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<td>CAN-MERCOSUR</td>
<td>16,503</td>
<td>13.8</td>
<td>13,593</td>
<td>15.4</td>
<td>-17.6</td>
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<td>Intra-CAN</td>
<td>7,795</td>
<td>6.5</td>
<td>5,789</td>
<td>6.5</td>
<td>-25.7</td>
</tr>
<tr>
<td>MERCOSUR-Mexico</td>
<td>12,021</td>
<td>10.0</td>
<td>9,361</td>
<td>10.6</td>
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<td>CAN-Mexico</td>
<td>9,891</td>
<td>8.2</td>
<td>6,604</td>
<td>7.5</td>
<td>-33.2</td>
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<td>CAN-Chile</td>
<td>9,860</td>
<td>8.2</td>
<td>6,321</td>
<td>7.1</td>
<td>-35.9</td>
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<td>Chile-Mexico</td>
<td>4,345</td>
<td>3.6</td>
<td>2,820</td>
<td>3.2</td>
<td>-35.1</td>
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<td><strong>TOTAL</strong></td>
<td>120,018</td>
<td>100.0</td>
<td>88,480</td>
<td>100.0</td>
<td>-26.3</td>
</tr>
</tbody>
</table>

1. Information from Cuba and Venezuela not included.

Source: LAIA

Produced by: CIDOB
while Bolivia’s was -20%, both these countries being greatly affected by the fall in international prices for hydrocarbons. In Colombia (-13%) and Peru (-15%) the drop was somewhat less dramatic since manufactured goods had a greater presence in their exports and the prices for these held out a little better. In the case of imports, the downturn trend was also generalised although, once again, the impact in the different countries varied. The greatest reduction was in Peru (-27%), followed by Ecuador (-19%), Colombia (-17%) and, finally Bolivia (-12%).

Meanwhile, intraregional trade overall fell by a figure of -17%, this affecting the intra-community export quotas vis-à-vis exports as a whole, which dropped a little to a present 7.5%. Nevertheless, analysis of bilateral trade flows between the Andean countries once again shows patchy results. In the case of Bolivia, whose sales with some neighbouring countries increased, exports to its leading client (Peru) rose by 3.5% and took a sharp upwards turn with Colombia (35%), while dropping slightly with Ecuador (-4%). Colombia’s downturn in exports was significant and was proportionally greater according to the relevance of its trading partners. Hence the biggest drop occurred with Ecuador (-17%), followed by Peru (-9%) and then Bolivia (-4%). The results of intra-community trade for Ecuador were very negative in 2009 with a dramatic decline in sales to Peru (-46%), which is its main client. Ecuador’s exports to Colombia were not very encouraging either (-12.3%), while the spectacular plummeting of sales to Bolivia (-53%) has less relevance because of the low level of trading activities between the two countries. Finally, the performance of Peru’s exports to its neighbours was rather uneven and its intra-community result as a whole for 2009 was practically neutral (-1%). With its main client, Colombia, the drop was slight (-3%) and that in the case of Bolivia was steeper (-11%). However, sales to Ecuador rose significantly, by 10%.

Institutional activities, agenda for integration, political cooperation and joint foreign policy

The Andean regional organism is passing through a delicate time of institutional debility and discord among its members. There is agreement over the suggestion that one of the events that triggered off the present situation occurred in April 2006 when Venezuela denounced the Cartagena Agreement and withdrew from the Andean Community. A year went by during which it was necessary to make the necessary adjustments with the representation of the countries in the juridisdictional organs and organisational structure, whereafter it seemed that the institutional machinery was functioning properly again. One example of this return to normal functioning was the holding of the Seventeenth Council of Andean Presidents on 14 July 2007 in Tarija, Bolivia. Moreover, one of the participants in this meeting was the Chilean president, Michelle Bachelet, thus consummating the incorporation of her country as an associate member of the Andean Community.

However, the respite was short-lived and discrepancies once again emerged, these being defined by the president of Ecuador, Rafael Correa, as serious asymmetries. The Andean Community members have different conceptions of joining the international sphere, apart from other particular disagreeements of a bilateral nature that have raised situations that are difficult to reconcile. On the one hand, with regard to the international question, there are two countries that have signed a Free Trade Agreement with the United States (Peru and Colombia), while Bolivia and Ecuador declined to sign such an agreement. On the other hand, there are tensions in the bilateral relations between Bolivia and Peru, and then there are the relations between Ecuador and Colombia that have been frozen for political reasons that were exacerbated by a border conflict.

In this context, the fluid continuity of institutional relations was once again cut off and, in the past two years, it has not been possible to hold the regular Council of Andean Presidents. It was in these circumstances that the fortieth anniversary celebrations of the signing of the Cartagena Agreement were held in 2009. This agreement was the one that originally gave shape to the first organism of Andean integration and in the commemorative activities it was recalled that the process of integration had gone through other crises and that these had been dealt with through appeals to pragmatism.

The difficulties in institutional relations did not favour, either, the lines of political cooperation that the AC member countries had taken at other times in order to put into practice a joint foreign policy. In this regard, it seems that inertia holds sway and there are no major advances in relations with the United States and the European Union, the two leading partners outside Latin America. The only significant events in 2009 are that, for the United States, the Andean Trade Promotion and Drug Eradication Act (ATPDEA) remains in force for one year more while, in the case of the European Union, the negotiations en bloc in order to reach trade agreements were abandoned and bilateral negotiations with Colombia and Peru began.

THE CARIBBEAN COMMUNITY (CARICOM)
Evolution of the economy, the external sector and integration

The economies of the Caribbean countries have also suffered the consequences of the international crisis and shrank considerably in 2009. According to the Preliminary Overview produced by the Economic Commission for Latin America and the Caribbean (ECLAC), the average figure for the drop in GDP of the Caribbean countries in 2009 was -2.1%. These negative results were due to a slump in tourist activity, a decline in construction, diminished mining activity, a drop in direct foreign investment and a reduction in the remittances sent back by the region’s emigrants. Again, although agricultural activity saw some recovery in the majority of the countries, the international prices of primary products remained highly volatile. As for the foreign trade of the Caribbean countries, ECLAC estimates that this fell by a figure of -31% with exports and -29% with imports. In this critical situation, the deterioration in the results of the current account balance was extended, this being negative in most of the countries except Trinidad and Tobago, although it should be emphasised that a tendency towards some alleviation of these parameters is observed.

However, a breakdown and analysis of the data for the different countries reveals that the evolution of production in the
Caribbean continues to be rather uneven. First of all, there are four economies that have maintained a growth rate of between 1% and 2.5% (Guyana, Haiti, Dominican Republic and Suriname). Then there is a group consisting of Belize, Saint Vincent and the Grenadines, Dominica, and Trinidad and Tobago, where the decline in GDP was moderate, between -0.5% and -1.5%. Finally, there is the group consisting of Antigua and Barbuda, the Bahamas, Barbados, Grenada, Saint Kitts and Nevis, Jamaica and Saint Lucia, which suffered a more severe drop in GDP, estimated as being between -3% and -8.5%.

As for evolution of the process of integration, although the CARICOM member countries formally subscribed to the creation of a Single Market and Economy (CSME) in 2006, the real bases for its construction are still very rudimentary. The requirements that were agreed upon as facilitating the convergence of the economies are difficult to observe in some cases, especially that of Jamaica. Also slow to advance is the coming into effect of the common external tariff (CET), while trade among the member countries has receded. According to data given in the report An Overview of the International Insertion of Latin America and the Caribbean 2008-2009: Crisis and Regional Cooperation Areas, which was produced by ECLAC in 2009, while the value of total exports in terms of current prices for the region tripled over the past fifteen years, sales among the Caribbean countries barely doubled. As a result, the coefficient of intraregional trade with respect to overall trade is estimated at approximately 11%, a quota that takes the region back to the figures for the early 1990s.

Institutional activities

The Heads of State and Government of the CARICOM countries held two extraordinary meetings in 2009, prior to the regular annual conference of July. The first meeting took place in Belize on 12 and 13 March 2009 with a view to discussing the international financial and economic crisis and to analyse the consequences for the region. The political leaders confirmed that the regulation of the financial system in their respective countries was functioning relatively well and thus the crisis had not come to the region through this channel. In this regard, the problems of the financial group Colonial Life and the Stanford Group were deemed to be very specific and not generalisable. By comparison, over time, the effects on the real economy were indeed noted, in sectors like tourism, construction, and basic products, all of which had consequences for production and employment. Hence, the leaders agreed that CARICOM should have greater access to the financing of regional institutions so that, in this way, they could work together with the policies pursued by each government in order to confront the crisis. The matter was taken up again at the second extraordinary meeting of Heads of State and Government, this time held on 24 May in Georgetown, Guyana, with an agenda focused on the deterioration of the Caribbean economies as a result of the international economic and financial crisis. At this meeting it was agreed to restructure the functions of the Caribbean Development Bank so that it might respond adequately to the needs of the region.

The Thirtieth Regular Meeting of the Conference of Heads of Government of the CARICOM Community was subsequently held in Georgetown, Guyana, from 2 – 5 July. At this summit, the Caribbean leaders discussed the main challenges facing the region, as had already been noted at the extraordinary meeting in Belize. They therefore decided to set up a Working Group to draw up proposals to assist the region in confronting the international crisis. Notable among these proposals is that of financial support for agriculture, the development of a long-term strategy for the information and telecommunications sector, reconsideration of the timetable for the implementation of Free Movement of Persons Act, and the need to establish with alacrity an effective regime of sanitary and phytosanitary measures. Finally, those present at the meeting subscribed to the Liliendaal Declaration on the financial sector, whereby the governments recognised the need to bring about reforms in the financial structure of the region since the degree of financial integration in the Caribbean requires better cooperation from the member states.

Foreign relations

The Caribbean countries share a foreign relations agenda that is debated and articulated in an organ known as COFCOR (The Council for Foreign and Community Relations). This organism held its Twelfth Annual Meeting in Kingston, Jamaica, on 8 and 9 May. Among other matters of Community interest, the results of the Fifth Summit of the Americas, which had been held in April in Trinidad and Tobago, were analysed and joint proposals for the Regular General Assembly to be held in June by the Organisation of American States were also established. Moreover, the ministers jointly appraised the meeting they had at this summit with the Prime Minister of Canada in which they discussed the launching of negotiations to establish a free trade agreement. With regard to relations with Europe, after the signing in 2008 of the Economic Partnership Agreement between the EU and CARIFORUM, the Caribbean Forum of the ACP (African, Caribbean and Pacific Group of States) countries, the next item on the agenda is revising the Cotonou Agreement, which was scheduled for 2010. Work began on the matter at the COFCOR meeting this year and the continuing solidarity of the Caribbean countries with the ACP group was reaffirmed in the light of negotiations with Europe.

THE IBERO-AMERICAN COMMUNITY

Institutional activity and agenda for dialogue and coordination

With the mechanism for dialogue, coordination and cooperation established by the member countries of the Ibero-American Community a set of institutional activities is carried out every year at different levels and with regard to different thematic areas. First and foremost, and of outstanding relevance, is the annual summit of the Heads of State and Government, where the main lines of the agenda are drawn up, resolutions are agreed upon and plans of action are established; next are the ministerial meetings by sector where the agenda corresponding to each thematic area is negotiated; then, also noteworthy are the meetings of civil society and other high-level forums, these constituting a third mainstay of the Community of Caribbean countries and a space for discussion of issues that are taken up to the presidential meetings
for their consideration. Likewise, also to be borne in mind are the many projects for cooperation that are implemented on an annual basis, these having the backing of the Ibero-American Summit of Heads of State and Government. Finally, is the work for institutional continuity being carried out within the organisms pertaining to the Ibero-American Conference, for example the Ibero-American General Secretariat (SEGIB in the Spanish acronym) and other Ibero-American intergovernmental organisations such as the Ibero-American Social Security Organisation (OISS in the Spanish acronym), the Ibero-American Youth Organisation (OIJ in the Spanish acronym) and the Organisation of Ibero-American States for Education, Science and Culture (OEI in the Spanish acronym).

As for meetings of civil society and high-level forums, in 2009 there were four events that deserve special mention. The first took place on 19 and 20 November, in Lisbon, where the Fourth Ibero-American Local Government Forum was meeting, in order to discuss innovation at the municipal level as a way of coming through the crisis and where, too, the municipal authorities approved the Ibero-American Charter of Local Self-Government. Shortly afterwards, the Fifth Ibero-American Parliamentary Forum was held on 23 and 24 November, again in Lisbon, this meeting bringing together the legislative representatives of the countries comprising the community. At the meeting of senators and members of parliament the debates were organised around three working groups: Ibero-American Cooperation; Information and Communication Technologies at the Service of Modern Parliaments; and Ibero-American Interparliamentary Technical Cooperation. The third meeting, the Fifth Ibero-American Civic Encounter, once again held in Lisbon, took place on 27 and 28 November. Here, four panels discussed social innovation and participation. Finally, on 29 November and still in Lisbon, the Fifth Ibero-American Business Meeting took place, this constituting a forum for discussing economic and financial prospects in the context of the world crisis. It was concluded that the Latin American region had withstood the crisis well. The businesspeople attending this meeting also discussed the influence of innovation in the energy, information and infrastructure sectors.

With regard to ministerial meetings, twelve of these took place covering different fields and discussing issues pertaining to Innovation and Knowledge, Environment, Social Security, Health, Tourism, Public Administration and State Reform, Childhood and Adolescence, Culture, Education, Youth and Finance. Discussed at each of these meetings were matters shaping a shared agenda for collaboration, and declarations were produced in which recommendations pertaining to the respective spheres of activity were made to the General Secretariat and the Summit of Heads of State and Government.

The central function was the meeting of Heads of State and Government of the 22 countries of the Community which was held in Estoril, Portugal, between 29 November and 1 December at the Nineteenth Ibero-American Summit. Attending this meeting were the heads of state of only fourteen of the member countries, which signified the biggest absence ever of presidents at any function of this type, since for different reasons, apart from the Honduran President Zelaya, the presidents of Venezuela, Cuba, Guatemala, Nicaragua, Bolivia, Paraguay and Uruguay were unable to attend. The situation of Honduras was an issue that took centre stage at this meeting because, at the start, the positions of the different Ibero-American presidents differed widely vis-à-vis the evolution and resolution of the internal conflict of this country. In any case, the Portuguese presidency managed to achieve consensus on two points that the participants deemed essential (condemnation of the coup and national dialogue), these being undersigned by the Portuguese Government in a communiqué issued at the end of the summit.

The basic debate was devoted to the central theme of the summit – innovation and development – and the results of this are reflected in the Lisbon Declaration and the Programme of Action that was approved. Noteworthy here is the agreement to promote an ambitious programme of applied and technological innovation that is to be defined by the governments and coordinated by the Ibero-American General Secretariat (SEGIB in its Spanish acronym), as well as the establishment of an Ibero-American Forum on Science, Technology and Innovation to be held on a biennial basis. As for the follow-up of the activities and programmes agreed upon at previous summits, the progress made in the process of ratifying the Ibero-American Social Security Agreement is to be highlighted. This will come into force in 2010 and will favour several million immigrants throughout the Community. Finally, after the approval in San Salvador the previous year of different modalities of participation, and having created the figures of the associated observer (states) and the consultative observer (international organisms) with the aim of promoting institutionalised links between the Ibero-American Conference and other members and actors of the international community, the summit of 2009 proceeded to register the first countries and organisms concerned. In the case of associated observers, first on the list are Italy and Belgium, while the first consultative observers are the Food and Agricultural Organization of the United Nations (FAO), the Organization for Economic Cooperation and Development (OECD), the Latin American Economic System (SELA in its Spanish acronym), the Latin American Faculty of Social Sciences (FLASCO in its Spanish acronym), the Latin Union and the Organisation of Eastern Caribbean States (OECS).

**THE RIO GROUP**

After two years of having gone into a state of relative stagnation, manifested by a lack of presidential meetings and other institutional weaknesses, the Rio Group embarked on a slow process of recovery in 2007. This thrust continued and showed new signs of vigour in 2008 during the mandates of the Dominican Republic and Mexico in the pro tempore Secretariat. It was precisely Mexico that showed great interest in reviving this permanent mechanism of political consultation and coordination, partly to bolster its leading role in the region, which was being challenged by Brazil, and partly to achieve better balance against the other pole of its relationship with the United States and Canada. Again, since its inception, the Rio Group has been a strictly Latin American mechanism of political coordination, which has been joined by different countries at different times, bringing the membership up to 24 to date. With this dimension, it might be said that the Rio
Group is now a regional political organism and the only step that remains to be taken is to make this official. A first move in this direction became evident in December 2008 in Brazil with the parallel holding of the summit of the presidents of the Rio Group and the meeting of the heads of state of Latin America and the Caribbean, and it seems that this format will be continued at the next summit to be held in Cancun, Mexico, in 2010.

The institutional activity of the Rio Group was at a lower level in 2009 due to the agreement to hold the presidential summits biennially, this being ratified at the twentieth meeting of the Heads of State and Government, which was held in March 2008 in Santo Domingo, Dominican Republic. In the interim, the Twenty-eighth Meeting of Ministers of Foreign Affairs of the Rio Group was held on 5 November in Montego Bay, Jamaica. The meeting confirmed Jamaica’s full incorporation into the organism, which will continue to be compatible with the representation of other CARICOM members. Also participating were observers representing Barbados, Granada, Saint Lucia, Saint Kitts and Nevis, and Trinidad and Tobago, which were invited to join as full members of the group. Among the issues of overriding concern on the meeting’s agenda were the climate change summit in Copenhagen and the internal crisis of Honduras.

The Rio Group also acts as an axis of coordination in some areas of foreign relations of the member countries, outstanding among these being the bi-regional relationship with the countries of the European Union. In particular, biennial meetings at the ministerial level are to be held with a view to elucidating items on the common agenda while, in the alternating year, the participants have the occasion to meet again in the course of the summits of the Heads of State and Government of the countries of Latin America, the Caribbean and the European Union. In this framework, the Fourteenth Ministerial Meeting of the Rio Group and the European Union was held on 13 May in Prague. Likewise, this event was complemented with two bilateral meetings of the EU with Mexico and Chile, along with two others of regional scope with Central America and MERCOSUR.

**THE CENTRAL AMERICAN COMMON MARKET (CACM) / CENTRAL AMERICAN INTEGRATION SYSTEM (SICA)**

**Evolution of trade**

Foreign trade was one of the main channels of conveying the international crisis to the Central American region, although the impact was somewhat less with the goods trade than with the services trade, where the drop in income from the tourist sector was very steep. According to data compiled in the Preliminary Overview for the economies of Latin America and the Caribbean 2009, which is published by ECLAC, the total of goods exports of the Central American countries dropped by a figure of -4.6% while the figure for imports was -9.7%. With regard to the terms of exchange, the ECLAC analysis indicated that the Central American region came out rather better off as these countries benefited from the fall in prices of basic goods, especially oil, the bill for which represents a very high cost in the totality of imports. Again, data supplied by the Secretariat for Central American Economic Integration (SIECA in its Spanish acronym), which do not include trade in maquila (export processing zone) and free zone products, show that total exports dropped by a figure of -9.3%, while that for the decline in imports was -24%. In the breakdown of performance by country, Honduras had the worst results with a drop in exports at a percentage that was almost twice the average for the region.

SIECA data on the evolution of interregional trade show that the result in 2009 has been more disadvantageous than that for overall trade, with a drop in exports among the Central American countries estimated at -18%. This decline has also had its influence in the diminished percentage of regional trade, which has been estimated at 26% with regard to total trade (discounting the maquila sector and the free zones). By comparison with the other countries, Honduras shows the greatest decline in trade with its neighbours, the figure for its drop in exports being estimated at -42%. Finally, continuity is observed in the general trend of trade flows among the Central American countries, with Guatemala being the biggest supplier and Honduras the main client, while Costa Rica appears as the principal beneficiary of trade with its neighbours, with a ratio of 2:1 in the sum of exports and imports.

**Institutional activities and agenda for integration**

The presidents of the member countries and associated countries of the Central American Integration System (SICA in its Spanish acronym) attend one or two regular summits each year in order to follow up the agenda for integration, while also holding extraordinary meetings to discuss specific matters. In the case of the latter, a first meeting was held in Managua, Nicaragua on 15 January 2009 and, here, the renovations of institutional positions in SICA were agreed, a calendar for meetings to be held that year was established and the issues that were to constitute their thematic agenda were discussed. Subsequently, on 25 March, another presidential meeting was held, once again in Managua, in order to discuss in advance the programmes for restructuring the pertinent organisms so as to promote integration effectively, along with regional unity. Other matters on the agenda were also discussed, for example the impact of the international economic crisis on the region, problems of security, migration and food security. The third extraordinary meeting of the heads of state took place in Trinidad and Tobago on 19 April 2009, as a side event of the Fifth Summit of the Americas. At this meeting, the Central American presidents came to a consensus on regional positions vis-à-vis two forthcoming international events they would be attending, one being the Fifth Summit with the President of the United States and the other, in May, with European leaders under the auspices of the Ministerial Meeting of the San José Dialogue to be held in Prague, Czech Republic. Finally, on 20 May another extraordinary presidential meeting was held in Managua, Nicaragua, with the aim of advancing the establishment of a Common Credit Fund, an instrument that seeks to compensate the asymmetries with the EU countries and that is involved in the negotiations on agreements concerning the bi-regional association.
The regular summits continued with the holding, in Managua on 29 June, of the Thirty-Fourth Meeting of the Heads of State and Government of the SICA countries. At the beginning of the meeting the presidents issued a declaration stating the measures adopted with regard to the political situation in Honduras. They subsequently discussed several items on the agenda, notable amongst which were four regional initiatives. First, the foreign ministers and the Secretary General were instructed to draw up a strategy designed to promote new integral legislation on migration. Second, the port strategy for maritime matters, which had been prepared by the ministers for Transport, was revised. Third, the Central American Commission for Environment and Development was enjoined to move faster with the Regional Environmental Plan and to finalise the Regional Strategy on Climatic Change. Finally, the presidents discussed the bases for regional consultation with a view to determining the linchpins of a policy for integral disaster risk management in Central America.

Foreign relations

The Central American countries continue to have a concerted agenda of foreign relations and activities which, in good measure, also influence the regional process of cooperation and integration. In this sphere, the most significant events of 2009 involved Mexico and the European Union. Moreover, the Central American countries held other meetings through the mixed commissions that give periodical continuity to their relations with Japan.

In the case of Mexico, the Eleventh Summit of the Tuxtla Mechanism – a space for Mesoamerican cooperation and dialogue – was held in Costa Rica on 29 July. Among the most relevant matters of this meeting was the interest shown in institutionalising the Mesoamerican Project, which would endow it with instruments of international law that were lacking in the Puebla-Panama Plan. In the political domain, the heads of state agreed to condemn the Honduras coup d’état and went on to endorse a range of joint initiatives on migration, security, drug trafficking, organised delinquency on the international scale and the arms trade.

With respect to the European Union, two new rounds of negotiations were held in 2009, one in January and one in March, in order to come to an agreement on the association between both regions but the initiative was suspended after June because of the internal conflict in Honduras. Prior to this, on 13 May, the Ministerial Meeting of the San José Dialogue was held in Prague, Czech Republic, this constituting a framework for dialogue and political negotiation that was established between Central America and Europe more than twenty years ago. This meeting saw a reaffirmation of the political impetus towards finalising negotiations on the bi-regional agreement in time for it to be signed at the summit that the countries of Latin America, the Caribbean and Europe were to be attending in Madrid in 2010.

THE COMMON MARKET OF THE SOUTH (MERCOSUR)

Evolution of trade

The international crisis of 2009 had serious effects with the shrinking of trade worldwide and also the price drops for products on the international markets. In these circumstances, according to preliminary data offered by LAIA and ECLAC, the performance for overall trade for the MERCOSUR countries was negative, with estimates for the decline in exports at -22% and for imports at -27%. The results by country showed that the crisis affected the overall sales in a similar fashion, except in the case of Uruguay for which the downturn was less (-9%).

With intraregional trade, the estimate for the decline remained close to the overall figure (-21%) while exports among the four members dropped to 33,000 million dollars. On a country-by-country basis the results were uneven. Brazil showed the biggest drop in sales to its partners (-27%), while the figure for Argentina was -14%. Finally, the intraregional export quota in comparison with total exports remained low, at around 14.2%.

Institutional activities and relevant items on the integration agenda

Notable among the principal institutional activities carried out over 2009 are the two presidential summits held in the course of the regular meetings of the MERCOSUR Common Market Council (CMC), which were attended by the ministers for Economy and Foreign Affairs of the member countries. At the first presidential encounter, which took place on 23 and 24 July in Asunción, Paraguay, the heads of state reaffirmed that the process of regional integration must foster policies aimed at overcoming asymmetries, promoting the value-added goods trade and engaging in complementary productive activities. The report on the agenda carried out by the pro tempore Paraguayan presidency was presented at this meeting. Emphasised here were advances towards bringing into effect the elimination of the double levying of the common external tariff and distribution of the MERCOSUR customs revenue, although not all the differences between the member states have been resolved and thus final agreement was not reached. Approval was also given for extending the system of payment in local currencies for any commercial transaction, the operative conditions for which are to be implemented by means of bilateral agreements between the central banks of the member countries. Finally, the headquarters of the MERCOSUR Social Institute was inaugurated, this organism being tasked with consolidating activities related with the social dimension of the process of integration.

The second presidential assembly took place during the Thirty-eighth CMC Meeting, held on 7 December in Montevideo, Uruguay. At this meeting the items on the ongoing agenda were discussed. Among these issues, emphasis was given to the need to keep coordinating actions aimed at cushioning the effects of the international crisis, highlighting the importance of assuring the dynamism of regional and worldwide trade so as to contribute towards the attainment of established goals of development and social inclusion. During this meeting, the report on the agenda carried out by the Uruguayan presidency was presented. Noteworthy here was approval for the Permanent Regional Observatory on Productive Integration. It was also agreed to speed up the measures required for establishing the Advisory Commission for the implementation of the
democratic system could serve as a conduit for discussing this regard, Insulza stressed that proper functioning of the environment and development in general are under threat. In insecurity in a context where sustainable use of energy, the was also expressed over worsened levels of poverty and job weakest members and on the political and social relations in disputes over distribution that will have repercussions on the economic crisis and the possibility that it may give rise to geral José Miguel Insulza, apart from a review of the state of the thirty-four member countries of the OAS attended the Twenty-ninth Regular Session of the General Assembly from 2 to 4 June in San Pedro Sula, Honduras, in order to prepare the balance sheet for the previous period and begin the new annual period of sessions. The central theme of the meeting was non-violence, as is reflected in the Declaration of San Pedro Sula, which was approved with the consensus of the participants. The Declaration states that it is considered fundamental to reinforce the culture of non-violence because of the dire consequences of violence for the social, economic, political and cultural development of Latin American societies. There was conformity during the debate in pointing out the how vulnerable sectors of the population are at risk because of violence in the different countries, in particular women, children and the elderly.

In the stocktaking presented by the OAS Secretary General José Miguel Insulza, apart from a review of the state of play of some earlier issues, special mention was made of the economic crisis and the possibility that it may give rise to disputes over distribution that will have repercussions on the weakest members and on the political and social relations in the domestic sphere of the countries of the region. Concern was also expressed over worsened levels of poverty and job insecurity in a context where sustainable use of energy, the environment and development in general are under threat. In this regard, Insulza stressed that proper functioning of the democratic system could serve as a conduit for discussing and solving differences with the aim of reaching agreement in the broad political and social domains so as to reinforce governance and the political viability of measures that will need to be adopted.

By way of conclusion, José Miguel Insulza made some reference to issues that were aired at the Fifth Summit of the Americas in Trinidad and Tobago in April 2009. At the presidential meeting the priorities to be implemented in the hemisphere’s agenda were profiled, these taking in political (security and governability), economic (integrated development, energy and climatic change) and social (everyday violence and migration) matters. Mention was also made of wide-ranging deployment of OAS electoral missions in 2009 and an account was given of the accompaniment tasks carried out by the OAS in Haiti both to assure internal security and to coordinate aid so as to overcome the catastrophic humanitarian situation of the country resulting from internal conflict. A further significant point was the explanation of the OAS good offices mission in the conflict between Colombia and Ecuador, a task that was continued in 2009.

Finally, on 3 June 2009, the Foreign Ministers of the OAS adopted the resolution AG/RES. 2438 (XXXIX-O/09) that countermanded an earlier resolution from 1962 through which Cuba was excluded from the Inter-American System. The resolution of 2009 declared that Cuba’s participation in the OAS will be the result of a process of dialogue initiated at the request of the Cuban government and in conformity with the practices, aims and principles of the OAS.

**Organizational activity**

**Institutional activity**

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**Electoral observation activities and special missions in crisis situations**

The OAS has been engaged in a wide-ranging set of activities benefiting the internal stability of the member states and peace in inter-American relations and also complying with specific requests made by any countries that are interested parties. Noteworthy among these are, on the one hand, the Electoral Observation Missions and, on the other, the special missions carrying out good offices tasks of accompaniment, facilitation and mediation in situations of conflict between member countries or domestic crisis within the states.

In the case of the Electoral Observation Missions, the presence of the OAS was requested for the general elections in El Salvador, the referendum to approve the Constitution followed by the general elections in Bolivia, the general elections and the Andean Parliament elections in Ecuador, the general elections in Panama and, finally, the legislative and municipal elections, as well as those for State governors in Mexico. With regard to the Special Missions tasked to work towards solutions in crisis situations, the presence and activities of the OAS in Haiti continued through 2009, as did the Mission to Support the Peace Process in Colombia. There have also been endeavours to provide OAS mediation and support in seeking solutions to the dispute between Ecuador and Colombia, as well as the internal conflict of Honduras. Finally, after the agreement reached in 2008 between Belize and Guatemala in order to put an end to their differences over territorial limits, the OAS has continued to assist both countries with a mission in the Adjacency Zone in order to prevent incidents that could affect the process that has now been initiated.

**Organization of American States (OAS)**

**Institutional activity**

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With regard to the internal conflict in Honduras, as soon as the coup d’état occurred on 28 June 2009, the OAS institutional mechanisms were activated. After an emergency convocation of the Council of Permanent Representatives where a resolution condemning the coup was approved, an Extraordinary General Assembly of Foreign Ministers was called and at this meeting it was decided to suspend Honduras’ participation in the organism by way of the resolution AG/RES.2 (XXXVI-E/09). This resolution also entrusted Secretary General Insulza with the task of intensifying diplomatic measures and promoting action in favour of a return to democratic normality. He led several missions to Honduras and, in that of October, managed to set up round table talks in order to continue with the negotiations proposed in the San José Agreement, a pact between the parties in litigation that had been achieved in September under the auspices of President Oscar Arias of Costa Rica. At the close of the year elections had been held in Honduras and the presidential takeover was scheduled for the beginning of 2010, although the OAS members did not immediately recognise the winning candidate since they considered that the agreement to return Zelaya temporarily to the presidency so as to proceed to an orderly transfer of power had not been respected.

The Mission to Support the Peace Process in Colombia (MSPP/OAS), the mandate for which was established in resolution 859 (1397/04) of the Permanent Council, has been entrusted with the assignment of verification of the cession of hostilities, disarmament and reintegration of demobilised groups along with working with communities affected by violence. In the reports of this year, along with an assessment of the follow-up of the aforementioned tasks, the MSSP/OAS indicated that in spite of advances in the peace process, massacres are reappearing as a form of action and means of intimidation in disputes between certain emerging factions, this having a harmful impact in the communities.

The OAS has been involved in Haiti for several years and has been engaged in sustained activity through successive mandates in order to attend to a situation of chronic crisis that, at one point of threatened national collapse, required international intervention with a United Nations Stabilisation Mission in Haiti (MINUSTAH). After the presidential and legislative elections of 2006 and the coming to power of President René Préval, the assignment of the OAS has been to fortify and consolidate institutional structures and to help in seeking projects and resources for reconstructing the country. In the report on the activities in which the OAS was engaged in Haiti in 2009, one outstanding item is the task carried out in September by the High Level Inter-American Mission, in which delegates from several member countries and other specialist organs – for example the Inter-American Development Bank (IDB), the Inter-American Institute for Cooperation on Agriculture (IICA), the Pan American Health Organization (PAHO), and the Pan American Development Foundation (PADF) – participated. Shortly afterwards, on 4 November, a conference was called in Mexico to coordinate the assistance to Haiti from the Latin American countries and the different inter-American agencies. Finally, on 15 December, the OAS agreed to the request of the Haitian Government to send an observation mission for the 2010 legislative elections.

**NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA)**

**Evolution of trade**

The economic and financial crisis spread through all spheres of the economy of the NAFTA member states. According to IMF data, in 2009 the GDP of the United States dropped considerably (-2.5%), as happened with Canada (-2.6%) and, rather more steeply, in Mexico (-6.8%), with serious consequences for the external trade of all three countries. The statistics of the US Census Bureau show that the figure for total exports of the United States plummeted to -23.1% but its partners were even worse affected. The official statistics of Canada and Mexico indicate that their exports fell still more precipitously with figures of -33% and -27% respectively.

In these circumstances, data on the evolution of trade among the NAFTA partners show a substantial decline in 2009 but the drop in sales was greater within the bloc (-28%) than for sales worldwide (-26%). In the country-by-country reckoning, the downturn in sales to NAFTA partners was similar in the United States (-24%) and Mexico (-25%), while the reduction was still greater in the case of Canada (-36%). The quota for regional trade among the NAFTA members has therefore fallen to below 50% vis-à-vis total external trade, a figure that, in perspective, means going back more than a decade in terms of regional integration, although with the structures for exchange that have been established over these years it would appear that, with economic recovery, the quota will return to about 50-55%.

As for mutual interdependence within NAFTA, the present crisis has done little to favour the trend of previous years towards overcoming the disparities between the United States and its less powerful partners. In 2009, one quarter of the imports entering the United States came from Canada (14%) and Mexico (11%), while the country sold to these two partners one third of its total exports, with a greater proportion going to Canada (19%) than to Mexico (12%). In contrast, the concentration of sales to the United States from the neighbouring countries continues to be very high, representing 81% of the total exports of Mexico and 65% of those of Canada. In the case of imports, Canada’s degree of dependence on the United States has increased since 63% of its total imports come from this country, while Mexico continues with a figure of 48%, which varies very little from previous years.

**Institutional activities**

The presidents of the United States and Mexico and the Prime Minister of Canada met in Guadalajara, Mexico, on 8 and 9 August 2009 at the Fifth Summit of the Security and Prosperity Partnership of North America (SPPNA). This trilateral alliance represents a framework for political cooperation between the NAFTA member countries with a view to procuring closer approximation in terms of quality of life, security, efficiency and the competitiveness of their different economies so as to advance towards convergence on the basis of the free trade agreement that presently governs the economic relations between the three countries.

Having reaffirmed the commitments undertaken the previous year, the three heads of state came to agreement on
the priorities for the current year, instructing their respective relevant ministries to carry them out and subsequently give an account of these activities in the mandatory report to be presented in mid-2010. On this occasion, the priorities focused on energy and climatic change, security in the case of pandemic outbreak of disease, and cooperation in combating criminal networks. In the declaration of the heads of state, mention was made of the global economic crisis and the need to coordinate efforts to overcome the situation, for example giving support to the OAS in its task of propagating democratic institutions in the continent.

Foreign relations
Each of the three NAFTA member countries is developing its own trade policy whereby they basically negotiate free trade agreements with third countries throughout the Americas, although the United States is the most active and has the most extensive agenda. In this regard, the United States Congress approved on 11 December 2009 a new one-year extension to the Andean Trade Promotion and Drug Eradication Act (ATPDEA) which favours exports from Colombia, Ecuador and Peru.

Canada has also made contacts in order to give a boost to the negotiation of free trade agreements with different Latin American countries, although most of these are still in the deliberative phase. In 2009, taking advantage of the Fifth Summit of the Americas in Trinidad and Tobago, the Canadian Prime Minister and the CARICOM heads of state met in order to give impetus to the process of negotiation.

Finally, Mexico continues with its own approaches to the countries of the Central American isthmus although there are still difficulties when it comes to establishing closer relations with the MERCOSUR countries and those of the Andean Community. In this regard, the Eleventh Summit of the Tuxtla Mechanism – a space for Mesoamerican dialogue and cooperation – was held in Costa Rica on 29 July (see foreign relations of SICA).

UNION OF SOUTH AMERICAN NATIONS (UNASUR)
The background
The process of creating a community that would embrace the nations of South America has been constructed in different phases, which have included work on defining objectives, the main themes on the agenda, the strategy for bringing this mission into being, and the organisational and institutional architecture of the initiative. Its origins go back to the summit of political leaders organised by the Brazilian president Fernando Enrique Cardoso, which was held in Brasilia in 2000. Since then, these presidential meetings have been held almost every year until it was decided at the 2004 meeting in Cuzco, Peru, to institutionalise the gatherings with the initial denomination of South American Community of Nations (SACN). After a process of ironing out the details, which lasted another four years, the presidents of the South American countries met in Brazil on 23 May 2008 to sign the treaty constituting UNASUR, whereby the normative framework and institutional structure of the organism were established and it was stipulated that the group would function with presidential summits every year, six-monthly ministerial meetings and a permanent secretariat with its headquarters in Quito. Also envisaged was the future creation of a South American Parliament, to be located in Cochabamba, Bolivia, the jurisdiction of which was to be established in an Additional Protocol that is yet to be negotiated by a special commission. The agreement stipulates that the constitutive basis of this body is upheld by the integration made possible by MERCOSUR and the Andean Community, along with the participation of Chile, Guyana and Surinam in such a way that the member countries are confined to the geographic area of South America. However, the wish of the UNASUR member countries is to advance cooperative relationships with all Latin American countries and hence, it is also established that five years after the treaty comes into force the possibility will remain open for the incorporation into the group of other countries of the region as associate members. Finally, in an extraordinary meeting held in Brazil on 16 December 2008, the presidents approved the creation of the South American Defence Council and the South American Health Council. The former body, which will be subject to the principles and objectives established in the United Nations Charter and the Charter of the Organization of American States, will constitute an agency for consultation, cooperation and coordination, the aim of which is to consolidate the region as a zone of peace and to serve as a basis for democratic stability and integrated development of the different countries. The aim of the South American Health Council is to construct a space of integration for health matters, incorporating therein the efforts and achievements of other mechanisms of regional integration and promoting the common policies and coordinated activities of the UNASUR countries. Moreover, a working plan was approved for the South American health agenda, this taking into consideration, inter alia, an epidemiological shield, the development of universal systems guaranteeing the right to health, access to medication, and the development of human resources in this area.

Institutional activity and the agenda for dialogue and cooperation
On 10 August 2009, the South American presidents met at the Third Regular UNASUR Summit, which was held in Quito, Ecuador. At this meeting, an assessment was made of the organism’s agenda and other areas of future work were proposed, notable amongst which are attention to infrastructure, technological advance, defence of human rights, social development, and the struggle against drug trafficking. While the item did not appear on the previous agenda, some time was spent discussing the agreement being negotiated between Bogotá and Washington to permit the access of US military personnel to Colombian bases as part of the joint struggle the two countries are engaged in against drug trafficking. The positions of the different countries with regard to this issue were markedly divided, with a very belligerent group headed by Venezuela backed by Bolivia and Ecuador, while the remaining countries adopted a more conciliatory stance. The presidential meeting in Quito ended without consensus and it was decided to call an extraordinary meeting to discuss and establish a common
position on defence policies regarding drug trafficking and terrorism. This took place on 28 August in Bariloche, Argentina, where the presidents approved by consensus a document on security policies in the struggle against terrorism and drug trafficking. They also agreed that, in a joint meeting of Foreign and Defence Ministers, to be held in September 2009, study would be made of several instruments in accordance with the measures of fostering trust and security enshrined in the OAS framework so that they might be jointly applied by the member countries. The ministerial meeting was held on 15 September in Quito, Ecuador but it was not possible to reach consensus because the Colombian minister did not agree to the request, in the formulation of Ecuador issued in keeping with its status as conference host, that he submit the details of negotiations with the United States, alleging that the agreement was neither approved nor ratified, either in Colombia or in the United States. Again, the Colombian Government demanded reciprocity in the measures of transparency, seeking guarantees on the different military agreements of its South American partners with third countries. Eventually, the matter was partially settled during a new meeting of Foreign and Defence ministers held in Quito, Ecuador; on 26 November, where it was agreed to create a network in order to exchange information on organisation, functions and procedures of the Defence ministries.

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