



Copyright © SELA, November 2016. All rights reserved.  
Printed in the Permanent Secretariat of SELA, Caracas, Venezuela.

---

The Press and Publications Department of the Permanent Secretariat of SELA must authorise reproduction of this document, whether totally or partially, through [sela@sela.org](mailto:sela@sela.org). The Member States and their government institutions may reproduce this document without prior authorisation, provided that the source is mentioned and the Secretariat is aware of said reproduction.

Honourable Chairman Commissioner Alberto Lozano, CDPC, Honduras;

Honourable Juan Luis Crucelegui, Head of Capacity Building in Competition Policies and Consumer Protection, UNCTAD;

Honourable Regional and Subregional Representatives of Latin America and the Caribbean;

Distinguished guests and speakers;

Ladies and gentlemen:

The Latin American and Caribbean Economic System (SELA) warmly welcomes you all and thanks you for your presence, and particularly our hosts who have facilitated the conduction of this event and have welcomed us in this beautiful place. Thank you very much also for the warm and generous welcome with which we were honoured.

On behalf of the Permanent Secretariat of SELA, I have the privilege of sharing with you and opening this VI Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean (WGTC).

This event ensures continuity of the ambitious working agenda that was started in Bogotá in 2011. Such agenda emerged on the occasion of a previous meeting, held in Brasilia in 2010, when the Member States of SELA recommended the Latin American Council the creation of the WGTC, whose Technical and Executive Secretariats were entrusted to SELA and UNCTAD, respectively.

The purpose of that initial meeting in 2011, in Bogota, was to formalize the Group's activities. Since that occasion, the subsequent meetings – held every year, without exception – have dealt with a wide variety of subjects which, for seven years now, have allowed the officials in charge of trade and competition of the Member States of SELA, as well as the officials of UNCTAD and others agencies to respond to detected needs.

Thus, during those years, the meetings have analysed subjects such as competition clauses, anti-competitive practices, trade and competition policies in the sectors of telecommunications, hydrocarbons, food and air transport; collusion, regulations on competition, competition and intellectual property in the field of food, non-tariff measures, and the impact of the informal sector on trade and competition, among others.

On this occasion, we will deal with aspects related to regulatory convergence and the legal treatment of *dumping* in the area of trade and competition. For this purpose, a selection has been made of a series of works conducted by specialists, who, during these three days, will address and analyse issues related to regulatory convergence, norms for the protection of free competition, and free cross-border competition.

Some previous work carried out by SELA already contained some recommendations relating to the harmonization of regulatory frameworks. For example, as to the best strategy for harmonization of regulatory frameworks in MERCOSUR, a suggestion has been made about the possibility of including Brazil in a MERCOSUR Investment Agreement with third countries. This could facilitate the renegotiation of Bilateral Investment Treaties (BITs) by the rest of the members.

## 2

In the case of the CARICOM, critical issues have been identified which are related to the harmonization of practices on environment protection and the correct use of renewable energy. The removal of tariff and non-tariff barriers among Member States is not the only pending issue to ensure integration. There is an urgent need to achieve a coherent strategy with the purpose of promoting Foreign Direct Investment and get to be competitive as a single unit, through the deepening of financial sector policies, policies directed on competitiveness and the use of energy.

In the case of SICA, it can be noted that the regulatory framework has been rather a result from complying with the international standards assumed by each country, than from an endogenous process. In order to make progress in this connection, each country must comply with its obligations, and promote the implementation, increased observance and respect for the rule of law.

Even for the Pacific Alliance, a relatively low percentage of trade exchanges is still being registered among its Member countries. Even though tariffs to trade are no longer the main obstacle to integration, this evidences the importance of high-quality regulatory frameworks, in order to prevent regulations or administrative procedures from acting as barriers to trade.

Some priority issues on the regional agenda are: the use of violence to solve conflicts, extreme poverty, external debt, barriers to trade, massive migrations, environmental pollution, and drug trafficking.

Labour legislation and political immigration rules must be more closely linked to employment policies in each country, as an integral subject. Also, it is necessary to strengthen Labour Ministries. There have been problems with the implementation of agendas, thereby leading to loss in credibility in institutions, and as a result, the measures taken thus far have not been effective.

In addition, the quality of communications between public and private sectors should be improved. There is a quite different situation in this connection among countries, since there is a high degree of ignorance about core issues, especially as regards small and medium-sized enterprises.

In general, there is a perception of a relatively small percentage of trade exchanges among Member countries, as well as different priorities in the process towards international integration, which is governed by the principle of open integration. There are also signs of a protectionist culture in the area of services; even though the argument prevails that, in the first place, it is necessary to harmonize prudential standards before moving on to liberalizing financial services.

There exist different development models, particularly dissimilar views on the role of the State in regulating foreign direct investment and on the appropriate legislation to protect workers' well-being. There are also different views on the relevance of those policies which are more oriented to making labour markets more flexible.

Thus, we will undertake a few intense and productive working sessions from which, finally, on Thursday, we are expected to draw a series of relevant conclusions for decision-making. Particularly, we hope to count on an analysis of the opportunities and challenges in our quest to harmonize regulatory frameworks on trade and competition in subregional integration mechanisms.

At present, economic development is interpreted as a natural consequence of the consolidation of institutional capacities. Thus, we do not hesitate to assert that the conclusions drawn here will be of paramount importance to advise the Member States of SELA in the design of the development strategy with trade policy, and these are aspects that go beyond the purely economic side, since they inseparably overlap with social and cultural issues that determine our integration processes.

Having said this, I only wish that we have very productive sessions of great interest for everyone.

Finally, we should take advantage of this opportunity to reiterate our firm institutional commitment to strengthen and support any initiative that will allow for greater integration of our peoples.

Thank you very much!