



The Pacific Alliance

The Evolution of the Pacific Alliance and Its Projection Towards Asia

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THE PACIFIC PUMAS

What the figures say about the Pacific Alliance

The Pacific Alliance has
5,107
FDI GREENFIELD
PROJECTS from all
over the world.
(2003-2013)

GDP 2013 (current)
USD **2,188,268**
MILLION

3.7%
Real GDP Growth 2013(e)

USD **14,735**
GDP per capita (PPP 2013e)

214
MILLION
Population
2013 (e)

TRADE
Exports 2013
USD **558,204**
MILLION

Imports 2013
USD **555,013**
MILLION

FDI (2013e)
USD **87,127**
MILLION

TOURISM
2012
USD **31**
MILLION

Source: Report: "The best selection of agribusiness products from the Pacific Alliance is waiting for you at SIAL China 2014." Available at: http://alianzapacifico.net/documents/2014/Dir_Sial_China_06_05_14.pdf

Real GDP, 2014 Forecast (annual percentage change)

PACIFIC ALLIANCE



MERCOSUR TRADE BLOC

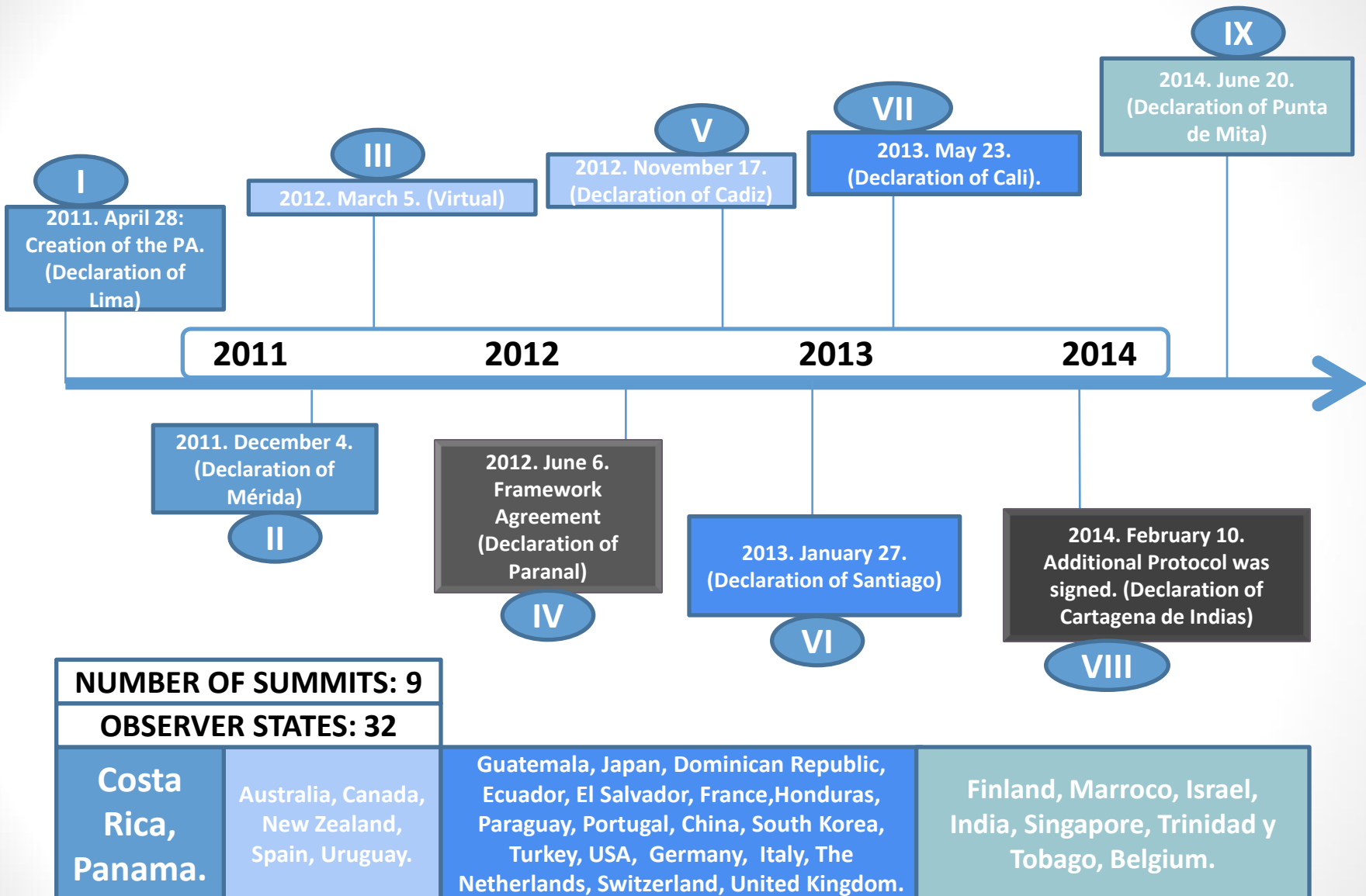


Source: International Monetary Fund

Note: Data for Paraguay, a land-locked Mercosur partner, are not shown.



Timeline and observer countries



Main integration areas of the Pacific Alliance

TRADE AND INTEGRATION

- > Harmonization of bilateral FTAs and customs cooperation.
- > Technical rules: Removing non-tariff obstacles.
- > Tariff elimination and cumulative rules of origin.
- > SPS

SERVICES AND CAPITAL

- > MILA (Integrated Stock Capital Markets; 26% of LATAM market capitalization, nearly equal to BOVESPA)
- > All participating in TISA negotiations.

MOVEMENT OF PERSONS

- > Elimination of VISA requirements for PA nationals.
- > Coordination on cross-border security issues.

INSTITUTION AND COOPERATION

- > SMEs
- > Climate change
- > Academic mobility
- > Competitiveness
- > Tourism

Market access in the Pacific Alliance

TOTAL

5.205 tariff lines

The **92%**

of the tariff lines in the basket
comprise the current
liberalization commitment
under the current FTA among
the Pacific Alliance members.

4.788 tariff lines (immediate liberalization)

→ **417 tariff lines**
(on schedule)

8%

Includes the products with liberalization on
schedule from 3 to 17 years, including
product with special protection.

Sensitive products:

beef (10 years); pork (5 years); milk (10
years); potatoes (15 years) beans (17 years);
corn and flour (17 years);

Few exclusions

An average of **33 tariff lines**
per country including: some lines of
artificial sweeteners, molasses, cocoa
powder, malt extract, ethyl alcohol.

Intraregional trade in the Pacific Alliance (2013)

Pacific Alliance	Intra Pacific Alliance exports 2013 (US\$ millions)	% Intra Pacific Alliance	Exports to the world 2013 (US\$ millions)
Chile	4,153	5.37%	77,367
Colombia	3,709	6.31%	58,822
México	8,591	2.26%	380,096
Perú	3,214	7.79%	41,244
TOTAL	19,667	3.53%	557,529

Trade among the Pacific Alliance members 2013 (Exports USD millions)

	Chile	Colombia	Mexico	Peru
Chile		869	1,321	1,963
Colombia	1,572		864	1,274
Mexico	2,085	4,735		1,771
Peru	2,028	918	416	

Source: CEAP –EAFIT. Data: Trademap, 2014.

The Pacific Alliance vs. Mercosur

Indicator	Pacific Alliance	Mercosur
Population	214	287
GDP, \$trn	2.11	3.41
GDP Growth	5%	2.25%
GDP Per Capita (2010-2012)	\$ 13,262	\$ 10,854
FDI, inflows \$bn (2012)	75.3	94.8
Merchandise exports to world, \$bn	557.52	339.39
Merchandise exports to Asia Pacific, \$bn	78.93	95.16

Source: CEAP-EAFIT based on information of the WB and TRADEMAP, 2014

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Source: ANDI, 2014

- Pacific Alliance & FTA with US and EU
- FTA with US and EU
- Mercosur
- ALBA
- * Observer member of ALBA
- † Applied for membership of Pacific Alliance
- ‡ Applied for membership of Mercosur

Pacific Alliance: Current Observer States



<http://alianzapacifico.net/en/paises/paises-observadores/>

Free Trade Agreements with				
Observers	Chile	Colombia	Mexico	Peru
Australia	2009			
China	2006			2010
India	2007 (a)			
Japan	2007		2005	2012
New Zealand	2006 (b)			
Singapore	2006 (b)			2009
South Korea	2004	2013		2011
Costa Rica	1999		2011	2011
Dominican Republic				
Ecuador	2008	1997 (d)	1983	1997 (d)
El Salvador	1999	2007	2011	
Guatemala	1999	2007	2011	
Honduras	1999	2007	2011	
Panama	2006	2013	2014	2011
Paraguay	1996	2005 (d)	2002	2005 (d)
Trinidad and Tobago		1998		
Uruguay	1996	2005 (d)	2002	2005 (d)
Canada	1996	2008	1994 (c)	2008
United States	2004	2012	1994 (c)	2009
EU members+	2003	2013	2000	2013
Israel		2013	2000	
Marocco				
Switzerland	2004	2011	2001	2011
Turkey	2011			

Source: CEAP –EAFIT, 2014.

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- (a) Preferential Trade Agreement
- (b) Transpacific SEP P4
- (c) NAFTA
- (d) Andean Community (CAN) and/or the CAN-Mercosur Agreement
- + Belgium, Finland, France, Germany, Italy, Netherlands, Portugal, Spain and UK

	Signed and in Effect
	Signed but not in Effect
	Negotiations Launched

Pacific Alliance's trade with the Observer Countries and ASEAN+6 (bn dollar)

	Exports to the world*	Imports from the world*	Trade balance*	Exports to P.A.*	Imports from P.A.*	Trade balance P.A.*
Pacific Alliance	557.53	558.18	-0.66	19.67 (4%)	22.18 (4%)	-2.52
Observer countries (32)	11,322.14	12,028.90	-706.76	493.74 (88%)	465.60 (83%)	28.13
Asia Pacific (ASEAN+6)	5,390.82	5,302.12	88.70	74.10 (13%)	163.61 (29%)	-89.51

Source: CEAP –EAFIT. Data: UNCOMTRADE ,2013.

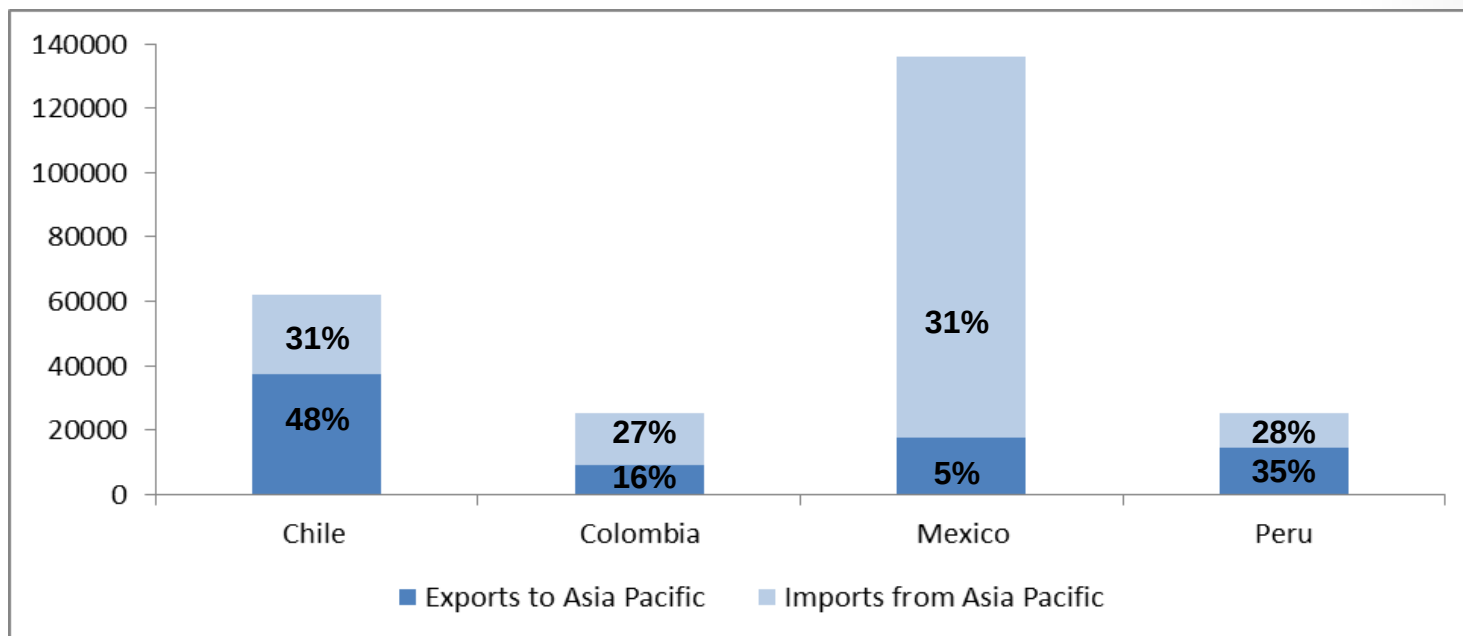
* 2013



THE PACIFIC ALLIANCE AND ASIA PACIFIC

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Trade between the Pacific Alliance and Asia Pacific (2013)

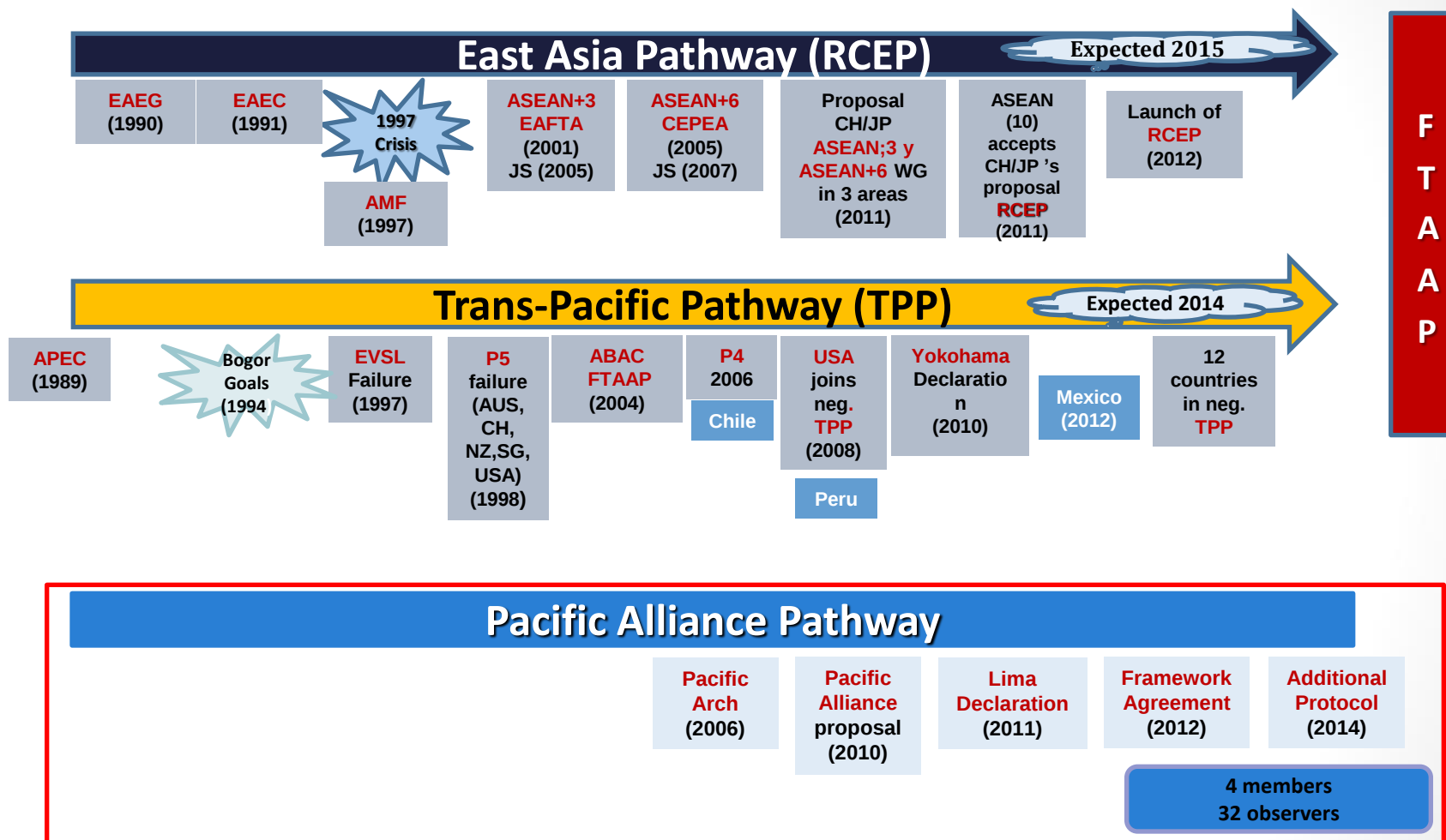


Principales productos exportados	
Chile:	Copper (HS740311, HS740200), iron ore (HS260111)
Colombia:	Oil (HS270900), ferronickel (HS720260) y coffee (HS 090111)
Mexico:	Oil (HS270900), copper ore (HS 260300) y automobiles (HS870323).
Peru:	Copper (HS260300), plumb ore (HS260700), fish flour (HS230120)

Peru's data is estimated.

Source: created by CEAP-EAFIT based on information from the UN COMTRADE, 2014.

Regional Integration Pathways in Asia and Latin America



Source: Created by CEAP-EAFIT, based on Mikio Kuwayama, 2013.



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