News Release

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Latin America Urged to Resist Protectionism on Eve of G20 Meeting

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Lucy Jay-Kennedy, Senior Media Manager: Tel.: +52 1 322 105 6470; E-mail: lucy.jaykennedy@weforum.org

Español

- The World Economic Forum on Latin America is taking place in Puerto Vallarta, Mexico, on 16-18 April 2012. For more information about the meeting, please visit: www.weforum.org/latinamerica2012.
- A liberalizing Latin American economy is ready to confront protectionism.
- There are hopes for piecemeal trade agreements as global trade talks have stalled.
- G20 trade ministers will meet in Puerto Vallarta after the World Economic Forum on Latin America.

Puerto Vallarta, Mexico, 18 April 2012 – Latin American countries have to resist protectionism and look forward to piecemeal progress in global trade talks as the Doha Round has been stalled for years, policy-makers, academics and business executives said on the eve of a meeting of G20 trade ministers in Puerto Vallarta.

" We hope to confront the protectionist threat in the continent, " said **Pablo Longueira Montes**, Minister of Economy, Development and Tourism of Chile. Countries that have recently adopted protectionist measures are also the ones that are less integrated in the global supply chain, he said.

The single undertaking is now blocking progress in global trade talks, according to **Bernard Hoekman**, Director, International Trade Department, World Bank, Washington DC. " No one wants to speak about Doha now, but things are moving. Now we are playing different formulas, " said **Beatriz Leycegui Gardoqui**, Senior Fellow, Autonomous Technological Institute of Mexico (ITAM), Mexico. Among them, she mentioned trade facilitation. " Trade is being liberalized on a piecemeal basis. There has been a proliferation of agreements in recent years, " said Leycegui Gardoqui, who was previously Mexican Undersecretary for Foreign Commerce. Mexico and some Andean countries (Chili, Colombia, Peru) are now forming a new Pacific Alliance, and 11 countries have joined a new Pacific Arc initiative, which may not lead to a single trade agreement but to a set of trade preferences among countries.

Longueira Montes said the Chile ' s economy has reaped the benefits of its policies. " We have opened our economy to the world in the past 30 years with a unilateral shift to cut tariffs and we have never had a more important period of growth in the past. " Eighty per cent of products made in Chile are linked to foreign trade, he said. Chile ' s income per capita stood at US$ 17,000 last year, and the government aims to increase this to US$ 22,000-24,000 in the medium term thanks to liberalizing policies.

Asked what advice he would give to G20 trade ministers who are going to meet tomorrow in Puerto Vallarta, **Michael R. McAdoo**, Vice-President, International Trade, Bombardier Aerospace, Canada, said: " They should work with the guys that study glaciers, because they seem to be working at the same speed. " But he said there are specific areas of trade that are less controversial and that he would " support any effort to pick these off. "

" It is important to change speed, but things are working in the right direction," said Leycegui Gardoqui.

Notes to Editors

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WORLD ECONOMIC FORUM
World Economic Forum, 91-93 route de la Capite, CH-1223 Cologny/Geneva
Tel. +41 (0)22 869 1212, Fax +41 (0)22 786 2744, http://www.weforum.org