

Background Note

March 2008

Who is working to influence policies on trade and poverty in Latin America?

A regional mapping of actors working to influence policy on trade, poverty and social exclusion in Latin America.

By Tom Pengelly

his background note aims to identify organisations that are working to influence policy and build capacity around pro-poor trade in Latin America. This mapping provides an important baseline for the work of Comercio y Pobreza en Latinoamérica (COPLA, www.cop-la.net), a project funded by the UK Department for International Development (DFID) on trade, poverty and social exclusion in Latin America, and may also be useful for others concerned with the pro-poor dimensions of Latin American trade and trade-related policies. It focuses on organisations working on at least one of the following issues: spatial poverty (lagging regions); gender; indigenous peoples; and small and medium enterprises (SMEs).

This background note draws on a combination of desktop review and key interviews to examine thematic focus, main target audiences, and strengths and weaknesses. It recognises that there are other important actors working at national level on the trade and inequality agenda across Latin America, including national governments, civil society organisations, research institutes and their development partners. A mapping of these national actors was, however, beyond the scope of this exercise.¹

The note is structured as follows: The first section examines the overall context of trade, poverty and inequality in Latin America. The second section maps out the key actors in the following sectors: interna-

tional institutions; regional organisations; bilateral development agencies; civil society organisations; and academic organisations, policy think tanks and research networks. The conclusions in the final section highlight the wide range of actors working on such issues, areas of consensus and real opportunities for partnership building, stressing the need for joined-up approaches to tackle a broad and complex agenda. The background note also includes a list of useful web links

Context

Trade, poverty and inequality in Latin America

Latin America has high levels of persistent poverty with over 57 million people living in extreme poverty on less than \$1 per day. Around 130 million people, approximately 25% of the total regional population, live on less than \$2 per day (Perry and Olarreaga, 2006). The severe inequalities between and within countries in the region are among the highest in the world and are underpinned by widespread social and economic exclusion, particularly of indigenous populations. Given the right conditions, trade expansion could be a powerful tool to help lift people out of poverty and reduce inequalities between rich and poor, and women and men, as well as the inequalities experienced by particular regions and socially excluded groups such as indigenous peoples. While greater openness in trade and the expansion of trade flows are associated with higher foreign investment and faster economic growth, they are not sufficient for broad-based economic development and poverty reduction. The design and sequencing of trade liberalisation and the structure of trade expansion are

Making trade and markets work better for the poor

Evidence from Latin America suggests that good trade performance and trade policy reforms alone

The Overseas Development Institute is the UK's leading independent think tank on international development and humanitarian issues. **ODI Background Notes** provide a summary or snapshot of an issue or of an area of ODI work in progress. This and other ODI Background Notes are available from www.odi.org.uk

cannot deliver growth and poverty reduction (Perry and Olarreaga, 2006). If trade is to have a significant impact on broad-based growth and poverty reduction across the region, a raft of complementary policies, investment programmes and social protection measures needs to be designed, debated and implemented. This requires the participation of a wider set of stakeholders, including civil society and academia, to engage governments in 'informed policy dialogues' to ensure that economic reforms work for the poor. The ability of stakeholders to monitor performance and the impact of policies needs to be reinforced to strengthen public accountability.

Trade policy-making and dialogues with stakeholders

With the exception of Brazil, Chile, Colombia and Mexico, trade institutions in the region are relatively weak with limited budgets, technical capacity and human resources. The participation of civil society groups is critical to ensure that the voices of the poor have an impact on the trade policies that are likely to affect them. However, such dialogue has often been hampered by ideological polarisation among stakeholder communities. Many of the civil society groups working on pro-poor trade policy issues lack the capacity to engage in evidence-based policy dialogue, and governments are reluctant to listen to them. Meanwhile, governments themselves may lack the capacity to generate the evidence that is needed to justify policy options.

Linking trade and gender, small and medium enterprises (SMEs), indigenous peoples and lagging regions

Trade and gender: Women in Latin America are more vulnerable to poverty than men as a result of gender inequalities in employment opportunities, education, income distribution, access to credit and natural resources (Spieldoch, 2006). Trade policies need to include measures and indicators to enable women to benefit from trade liberalisation, given the constraints they face. The links between trade and gender can be reinforced in a number of ways. For example, export promotion initiatives and assistance can be targeted toward sectors with high female employment ratios (e.g. non-traditional agricultural production, agroprocessing, textiles and garments). Expansion of education and training opportunities for women and girls can increase their access to higher-paying formal sector employment in exporting industries or foreign direct investment (FDI) projects (Fontana, 2003).

Trade and small and medium enterprises (SMEs): SMEs comprise a large share of firms, employment and GDP in Latin America. However, their contribution to trade has not reached its full potential as they still face a series of severe constraints. These include the lack of access to finance, market access and information, supply networks and adequate infrastructure, as well as the impact of organised crime and corruption, red tape and bureaucracy, and poor marketing, product development, quality standardisation and labelling. As a result the sector has not provided the motor that is needed for faster growth and better employment opportunities for poor people, particularly in urban areas. However, the political climate is shifting to include SMEs in the policy and investment programme framework across the region. The SME agenda is being taken up by national governments, regional organisations, international institutions, bilateral development agencies and civil society organisations.

Trade, indigenous peoples and lagging regions: Within Latin America, disparities in income distribution and economic opportunities exist between rural and urban areas and ethnic groups. There is an urgent need for governments and their development partners to better address the needs of indigenous peoples and lagging regions during trade reform to support a broader domestic base for economic development and to promote equitable, stable socio-economic growth (Mason, 2005).

Key actors, programmes and initiatives

Key actors engaged in the Latin American trade and poverty agenda include international institutions, regional organisations, bilateral donors, civil society organisations and research organisations and networks. While many have overlapping or complementary agendas, coordination has been relatively weak and ad-hoc. The potential exists to build synergies, share knowledge and maximise policy influencing opportunities.

International institutions

World Bank: The World Bank is one of the principal actors across Latin America on trade reform, capacity building and private sector development. On the research side is the World Bank's research programme examining the development impacts of the Dominican Republic-Central America Free Trade Agreement (DR-CAFTA) on poverty, inequality and broad-based growth in Central America. At the international level, the Bank's Poverty Reduction & Economic Management (PREM) Department leads the Diagnostic Trade Integration Studies (DTIS) under the Integrated Framework for Trade Related Assistance to Least Developed Countries (LDCs).

On the operations side, some of the key World Bank

projects and loans related to trade and poverty are in Central America. The Bank has a \$60 million portfolio of competitiveness operations in the region, targeting supply-side capacities and adjustment, infrastructure and trade finance, and support to business development activities that improve national ability to compete in the global economy. The World Bank competitiveness project in Honduras, for example, includes an 'Indigenous Peoples Plan' as part of the project documentation.

However, some stakeholders feel that the World Bank has not consulted widely enough with representatives of the poor, indigenous peoples and civil society. To address this perceived weakness, the UK Department For International Development (DFID) has provided a trust fund grant to increase the participation of stakeholders in the design and implementation of country and regional strategy processes through its Latin American Markets & International Trade (LAMIT) Programme, and has extended the use of analytical tools such as Poverty and Social Impact Analysis and Drivers for Change.

International Finance Corporation (IFC): The IFC promotes sustainable private-sector investment in developing and transition countries, aiming to reduce poverty and improve people's lives. The IFC Office for Advisory Services in Latin America and the Caribbean provides a wide variety of consulting and business services to support private sector and SME development in the region. Its work concentrates on four thematic programme areas, each of them supporting small-scale national projects in the region: Improving the Business Enabling Environment, Enhancing Local Benefits, Sustainable Value Chains and Broadening Access to Finance.

The Latin American and Caribbean Technical Assistance office works with NGOs, SMEs and indigenous peoples. For example, the office supported a small-scale Indigenous Enterprise Development Project in Bolivia, together with FUNDES (see page 6 for information on FUNDES). The major weakness of the office is that projects are small scale and short term. On the other hand, there is potential for these initiatives to have wider impacts and influence as the office is well-placed within the IFC's much larger institutional and operations infrastructure.

United Nations Conference on Trade & Development (UNCTAD): UNCTAD aims to 'maximize the trade, investment and development opportunities of developing countries and assist them in their efforts to integrate into the world economy on an equitable basis.' In Latin America, UNCTAD regularly partners with organisations such as the Economic Commission for Latin America and the Caribbean (ECLAC). It organises and supports policy studies, workshops, training and technical assistance activities on trade and investment topics, including: trade policy and negotiations; science and technology; trade facilitation; trade logistics; commodities markets; enterprise development (e.g. the EMPRETEC programme, active in Brazil, Chile and Argentina); competition law and trade and environment.

OECD Centre for Entrepreneurship, SMEs and **Local Development (OECD-CFE):** The OECD-CFE aims to serve as a catalyst, increasing synergies between different areas of expertise, and raising the profile of OECD work on entrepreneurship and SMEs. It is in charge of disseminating best practices on the design, implementation and evaluation of initiatives to promote entrepreneurship, SME growth and local economic and employment development. OECD-CFE has organised a number of activities and forums in the Latin America region.

Regional organisations

Organization of American States (OAS): The OAS plays an important role in advancing trade in the Americas at the national, bilateral and multilateral level. Through its Department of Trade, Tourism and Competitiveness (DTTC) in the Executive Secretariat for Integral Development (SEDI), the OAS Secretariat provides support in two broad areas: (1) strengthening human and institutional capacity and (2) enhancing trade opportunities and competitiveness, particularly for small and medium enterprises (SMEs).

One key responsibility is to help member states, particularly the smaller economies, to develop the capacity they need to negotiate, implement and administer trade agreements (e.g. the Free Trade Area of the Americas process, as well as WTO, subregional and bilateral trade agreements) and to take advantage of the benefits. OAS audiences tend to be governments and the organised non-government sector. A particular advantage of the OAS is its access to the highest level of policymakers and leaders in Latin America, including through the Summit of the Americas process.² Of particular interest is its policy dialogue programme on Promoting Micro, Small and Medium Enterprise Development for Poverty Reduction, funded by a grant from the Spanish government, which is undertaken jointly by the OAS Department of Labour & Employment and the DTTC. The DTTC also organises the OAS Private Sector Forum, which brings together over 100 private sector representatives from throughout the Americas to provide recommendations to the OAS General Assembly and Summit of the Americas on such issues as improving competitiveness and productivity, promoting good governance and transparency, and innovative strategies for job creation and poverty reduction.

The principal weakness of the OAS is its lack of significant programme funds.

Inter-American Development Bank (IADB): The IADB is another principal actor across Latin America on trade reform, capacity building and regional integration. The Bank has developed a number of policy-based loans to help strengthen national institutions in charge of competitiveness and trade negotiations, simplify trade and custom procedures, enhance business and labour productivity and improve the regulatory framework. It has also launched a new initiative called Opportunities for the Majority, focusing on access by the region's poor to financial services, housing and basic infrastructure.

The IADB's Trade & Poverty Trust Fund aims to strengthen capacities to assess the impact of trade and integration on poverty reduction and support the adoption of pro-poor, trade-related strategies and policies in Latin American countries. The Trust Fund's activities cover three main areas: (1) strengthening the focus on poverty of IADB's trade policy analysis; (2) better integration of poverty reduction objectives in IADB's trade-related programming and operations; and (3) promoting a more inclusive dialogue on trade and poverty among policymakers and stakeholders.

The IADB's regular Regional Policy Dialogues for ministers and senior trade officials provide key opportunities to share lessons learned. Of particular relevance are the Regional Policy Dialogue of the Vice-Ministers of Trade (Plenary and Sub-regional Sessions), the Regional Policy Dialogue on Poverty and Inequality and the Social Equity Forum.

Economic Commission for Latin America and the Caribbean (ECLAC): ECLAC's main divisions are: Economic Development; Social Development; International Trade and Integration; Production, Productivity & Management; Statistics; Sustainable Development and Human Settlements; Natural Resources & Infrastructure; Population and the Unit for Women and Development. Its main audiences are Member States but it also works with academic organisations, civil society, and the private sector, and has close links with other key regional organisations. ECLAC's main strength is its support for research and policy analysis, statistics and its regular system of intergovernmental and expert meetings around the region.

Secretaría de Integración Económica Centroamericana (SIECA): SIECA is the regional economic integration organisation for Central America's Sistema Integración Centroamericana (SICA). As part of SICA, a Central America Common Market (CACM) has been established between five nations: Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua. The CACM has succeeded in removing duties on most products moving among the member countries, increasing trade within the member nations and unifying, to a large extent, external tariffs. SIECA played a key coordination role in the negotiations of DR-CAFTA with the USA, where Central America negotiated as a group for the first time. SIECA also plays an important role in the negotiations for a free trade area under the proposed Association Agreement with the European Union and in the planned creation of a Central American Customs Union.

The Latin American and Caribbean Economic System (SELA): SELA is a regional intergovernmental organisation that groups 26 Latin American and Caribbean countries. It organises the annual meeting of the Latin American Council at the ministerial level, and convenes regional consultation and coordination meetings with high-level officials of member countries.

Andean Community (CAN): CAN is the regional cooperation organisation for the Andean region with a mandate that covers a broad political, economic and social agenda. Following the Quito Summit, a work plan was adopted to push forward the free circulation of goods and services, the customs union, the strengthening of the legal and institutional system, a joint productive investment and development plan and the start-up of programmes to support Bolivia and collaborate with Ecuador.

CAN recently adopted an Integral Plan for Social Development which aims to ensure that the regional integration process contributes more to reducing poverty, inequality and exclusion and will, among other things, establish a Andean Civil Society Network. It also has a work programme on SMEs overseen by a Sub-regional Committee on SMEs.

Andean Development Corporation (CAF): CAF is a multilateral financial institution that supports sustainable development in shareholder countries, as well as regional integration. At present, CAF is the principal source of multilateral financing for the countries in the Andean Community, supporting them in the last decade with over 40% of the resources awarded by multilateral organisations.

Bilateral development agencies

USAID: USAID is a key actor in Latin America on the trade and development agenda. USAID has a major portfolio of national and regional trade capacity building and policy reform programmes in the region covering a broad set of topics and issues. Its audiences include the full spectrum of government agencies, private sector bodies, think tanks, civil society organisations and even individual enterprises and SMEs.

The Broad Based Economic Growth Team provides support and coordination to USAID missions in the region that help countries to build their capacity to trade. The LAC Regional Programme is currently developing the Equitable Growth Best Practices Project. This project aims to provide demand-driven assistance to countries participating in bilateral and regional free trade agreements to prepare for trade negotiations, implement provisions of trade agreements, and transition to free trade, emphasising rural diversification, small business development and competitiveness. The project also supports the identification and dissemination of information on best practices for trade capacity building, including examples of improved access for the poor to the trade-related productive assets essential for economic growth and poverty reduction.

Of particular interest is USAID's Gender & Trade Expansion (GATE) Project which operates in Peru and the Dominican Republic. The five-year project (2004–2009) aims to strengthen the capacity of USAID worldwide to institute gender-equitable practices and policies in USAID-funded economic growth and trade activities. The goal is to ensure that trade related efforts encompass the poor, and women, to take advantage of the opportunities offered by globalisation.

European Commission (EC): The EC is the largest bilateral donor of development assistance to Latin America and a key actor on the trade and development agenda. It has a well-developed and fast evolving architecture of economic and development relations with Central America, the Andean region and the South American Common Market (MERCOSUR).

At the end of April 2007, the European Union (EU) announced plans to start negotiations for an Association Agreement with the Andean Community, together with an aid package for the countries of the Andean region of €713 million over the period 2007-13. The Association Agreement is envisaged as a comprehensive agreement, embracing political dialogue, cooperation and trade (i.e. including a Free Trade Agreement). The bilateral cooperation envisaged by the EC for the four Andean countries for the period 2007–2010 will address inequality, poverty reduction, regional integration, fighting the trade in illicit drugs, good governance, the rule of law and justice.3

A similar picture exists for the EU's relations with Central America. At the EU-Latin America and the Caribbean Vienna Summit in May 2006, the Heads of State and Government decided to launch negotiations for an Association Agreement between the EU and Central America, including a free trade area. On the basis of this decision, on 6 December 2006, the Commission adopted directives for the negotiation of such an agreement. These plans progressed at the San José ministerial meeting between the EU and Central America in April 2007. In mid-2007, the EU announced that its financial aid to the region would increase by nearly €200 million for the period 2007-2013. The

negotiations began when the two sides met in Costa Rica in October 2007.

UK Department For International Development (DFID): In Latin America as a region, DFID's strategy has been to work through the Latin America Markets and International Trade (LAMIT) and the Accountable and Responsive Public sector Management and Political Systems (PSPS) programmes. The aim has been to enhance the impact of the IADB and the World Bank in Latin America on poor people's ability to shape, participate and benefit from inclusive and sustainable growth, as well as from governance and political systems that are increasingly representative, transparent and accountable.

In Central America, DFID has supported a project in Nicaragua called Promoviendo la Equidad Mediante el Crecimiento Económico (PEMCE) which seeks to apply the Making Markets Work For The Poor approach to private sector and SME development. PEMCE seeks to support SME development and influence policy/ programming on private sector development through: (1) more effective ways of working within the public sector, based on coordination with other public sector bodies and strengthening the business and organisational capacity of SME sector partners; (2) taking a sector-by-sector approach to identify and solve problems; and (3) using local approaches to improve the enabling environment. PEMCE also seeks to influence the alignment and approaches of government and donors, in particular the World Bank and IADB. PEMCE argues that it has demonstrated that a richer understanding of the circumstances of the informal sector, as well as its potential, can help to debunk the perception of it as a 'problem' that should be addressed through social assistance programmes.

Other bilateral development agencies: In addition to the key actors described above, there are a number of other bilateral development agencies working on trade and private sector development in Latin America.

Swiss Development Cooperation and GTZ are promoting SME and private sector development in Central America. Swiss Development Cooperation in particular has also been a key proponent of the Making Markets Work For The Poor approach alongside DFID, and SECO is financing a major project (\$2.36 million) on improving the business environment with FUNDES (see page 6).

While Canadian CIDA has shifted its focus away from programming in Latin America, it has supported a portfolio of trade capacity building (TCB) initiatives (e.g. on trade policy capacity building and support for WTO negotiations and agreements) in Latin America. Much of CIDA's TCB portfolio was designed and implemented by either the International Development Research Centre (IDRC) or the Centre for Trade Policy and Law (CTPL) at Carleton University in Ottawa (see page 6). In addition, CIDA has provided financial contributions to trust funds with regional organisations in Latin America (e.g. its contribution of \$1.2 million for 2003–2006 to the OAS Trade Unit).

IDRC is a public corporation mandated to help developing countries use science and technology to find practical, long-term solutions to social, economic and environmental problems. Support aims to develop indigenous research capacity to sustain the policies and technologies that are needed to build healthier, more equitable and more prosperous societies. IDRC has also undertaken a major research and dialogue programme on Central America in the global economy in the recent past. The programme may have ended, but IDRC continues to provide funding and technical support, and retains professional network links to a number of research and policy dialogue initiatives related to trade in Latin America, such as the Latin American Trade Network, the Regoverning Markets Initiative and Women in Informal Employment: Globalizing and Organizing (WIEGO, see page 7).

Civil society organisations and initiatives

Civil society organisations are engaged in a number of regional and international advocacy, policy dialogue and communication initiatives related to trade, poverty and inequality in Latin America.

Regoverning Markets: Regoverning Markets is an initiative led by the International Institute for Environment and Development (IIED) and funded by IDRC, CIDA, DFID and USAID. The overall aim is to provide advice and guidance to the public sector, agri-food chain actors, civil society, organisations of producers and development agencies on approaches that can anticipate and manage the impacts of the dynamic changes in local and regional agri-food markets.

Building on exploratory studies undertaken in 17 countries, an intensive two-year programme (2005–2007) of collaborative research and policy support has been undertaken to increase understanding of the keys to inclusion in these restructured agri-food markets, in order to address implications and opportunities for small-scale producers and enterprises. One key is to understand best practice in connecting small-scale producers with dynamic markets and to bring these findings into the wider policy arena to inform public sector policy and private sector strategies. The programme aims to build the capacity of national stakeholders in both the private and public sectors through their direct leadership and participation in research, innovation and policy processes.

La Fundación para el Desarrollo Sostenible en América Latina (FUNDES): FUNDES, a network of business services, aims to promote and encourage the competitive development of SMEs and is present in 10 of the region's countries: Argentina, Bolivia, Chile, Colombia, Costa Rica, El Salvador, Guatemala, Mexico, Panama and Venezuela. The objective of the FUNDES Simplification Project is to streamline procedures related to the registration of businesses at the municipal and national levels and to improve access to credit for SMEs in Bolivia, Costa Rica, El Salvador, and Guatemala. The project is implemented by FUNDES International, which has developed a methodology to simplify business procedures.

International Centre for Trade and Sustainable **Development (ICTSD):** The mandate of ICTSD is to influence the international trade system to advance the goal of sustainable development by empowering stakeholders in trade policy through information, networking, dialogue, well-targeted research and capacity building. ICTSD is committed to articulating the linkages between specific trade negotiations in the WTO or at the regional and bilateral level (e.g. EUand USA-led Free Trade Agreements with developing countries), the achievement of internationally agreed development targets in the areas of poverty and hunger, education, health, equity and the environment and the promotion of policy coherence. It is also seen as a trusted source of non-partisan information and analysis on trade-policy making and development, and produces a large number of high quality technical studies and publications. ICTSD currently has a partnership agreement with DFID's International Trade Department to work on pro-poor trade policy and capacity building projects for developing countries.

A number of ICTSD's thematic programmes on international trade and development issues are active in Latin America. ICTSD has built up considerable expertise on the EU–ACP Economic Partnership Agreements. In addition, ICTSD has a number of experienced staff from Latin America, many of whom are former trade negotiators from the region, and has established partnerships with national organisations in many Latin American countries.

Oxfam International: Oxfam International undertakes advocacy and policy analysis on the international trade and development agenda, taking a rights-based approach to its work. Oxfam also works on community development projects in a number of Latin American countries and has been an active supporter of the Fair Trade movement in the UK and internationally.

Oxfam International's Make Trade Fair campaign calls on governments, international institutions, and multinational companies to change the rules so that trade becomes part of the solution to poverty, not part of the problem.

Christian Aid: Christian Aid works to provide sup-

port and policy advocacy on international economic issues. Its activities on trade are relevant to Latin America at both grassroots and international policy levels. At the grass roots level, Christian Aid supports national organisations that are, in turn, supporting poor producers, cooperatives and indigenous communities with market access and rural development projects in Brazil, Bolivia, Guatemala, Honduras and Nicaragua.

At the international policy level, Christian Aid works through its Trade Justice advocacy campaign, targeting governments and international financial institutions such as the World Bank, IMF and the WTO. The campaign lobbies for changes in trade rules in favour of poor people in developing countries by commissioning evidence-based studies, calling for sustainable impact assessments and undertaking sensitisation of national actors to the key issues at stake for poor people. A particular focus for Christian Aid has been monitoring and lobbying on the Free Trade Area of the Americas and US-CAFTA negotiations, as well as proposed EU Association Agreements with the Andean Community and with Central America.

SME Congress of the Americas: The SME Congress is a hemispheric network of small and medium enterprise service providers focused on improving the trade readiness and international competitiveness of SMEs in the Americas. The idea is to create a forum in which small business service providers in the Americas could share ideas and build stronger relationships. This modest initiative appears to enjoy high-level support from the US administration.

A primary objective of the SME Congress is to identify and share the best practices of public, private, and nonprofit small business trade promotion and determine how these sectors can cooperate effectively in promoting and facilitating regional small business trade.

Other UK and USA civil society organisations and networks: A number of UK civil society organisations are engaged in activities related to trade, poverty and inequality in Latin America. These include the Catholic Agency for International Development (CAFOD), CARE International UK and Save the Children Fund. Activities take the form of support for community-based assistance projects and campaigns by grassroots organisations in Latin American countries, as well as engaging in UK, EU and international policy debates to influence decision makers on trade and economic policy towards Latin America.

In the USA, the Citizens Trade Campaign (CTC) is a leading advocacy organisation and national coalition of environmental, labour unions, consumer, farm, religious, and other civil society groups founded in 1992 during the negotiation of North American Free Trade Agreement (NAFTA). While it represents a very broad spectrum of interest groups, CTC members share the view that international trade agreements and rules are a means to achieve other societal goals such as economic justice, human rights and a sound environ-

Academic organisations, policy think tanks and research networks

Institute for the Integration of Latin America and the Caribbean (INTAL): INTAL was created by an agreement between the IADB and the Government of Argentina. Its main activities are research work and publications, technical assistance to governments and institutions at the academic and business levels, and training and conferences in support of regional integration and cooperation processes. INTAL also supports a number of Integration Networks, linking academic organisations, private sector bodies and policy-makers in the region.

Latin American Centre for Competitiveness and Sustainable Development (CLADS): CLADS, of the Central American Institute of Business Administration (INCAE), was established to promote changes in public policies, business strategies and civil society actions, to allow the region to obtain higher levels of competitiveness and sustainability in its development. There are five strategic areas for the work of CLADS: (1) follow-up on regional and national competitiveness agendas; (2) rural development; (3) the implications of free trade agreements; (4) the competitiveness of small and medium enterprises; and (5) the utilisation of digital technology for community development. The work in these five areas combines competitiveness, environmental and social considerations.

Latin American Trade Network (LATN): LATN was established to provide policy relevant research on trade and development issues for policymakers and negotiators from a regional perspective, but it has taken on more diverse functions, including a programme of policy advisory work and training activities. LATN sponsors the production of research reports and briefs on trade liberalisation, particularly: distributional impacts of services and agricultural trade liberalisation; reforms of the global trade architecture; and the costs and benefits of international rules on competition and investment for Latin American countries.

Women in Informal Employment: Globalizing and Organising (WIEGO): Under its Global Economy programme, WIEGO sponsored a project in Latin America focused on the strategies adopted by Amazonian women to deal with the liberalisation of the oil and nut markets. The project explored opportunities for exchange of experiences and knowledge among the grassroots groups of women in Bolivia, Brazil and Peru.

Facultad Latinoamericana de Ciencias Sociales (FLACSO): FLACSO maintains operations in 13 Latin American countries. Its objectives are to promote teaching, research and scientific cooperation in the social sciences throughout Latin America and the Caribbean. The regional nature of the institution gives it strong linkages with universities, government agencies, and NGOs. FLACSO faculty members are influential researchers and authors in all fields of the social sciences, especially political science, and are often consulted by governments and international organisations throughout Latin America.

Levy Economics Institute: Gender Equality and the Economy Programme: The Levy Economics Institute's Gender Equality and the Economy programme sponsors research on the ways in which economic processes and policies affect gender equality, and how existing gender inequalities influence economic outcomes. The programme aims to contribute knowledge that improves women's status and helps them realise their rights. In Latin America, its research on paid and un-paid work inequalities between women and men in urban Bolivia is of particular relevance, as is its work on women's participation in agriculture and land-ownership in Paraguay.

Centre for Trade Policy and Law (CTPL), Carleton University, Ottawa: CTPL's mandate is to foster independent analysis and research on trade and development policy and legal issues, and to encourage the development of trade policy professionals and practitioners. CTPL works closely with governments, the private sector and civil society in supporting the trade and development objectives of developing countries and transition economies.

CTPL has conducted research on the political economy of policy influence in Latin America, identifying opportunities and forms of intervention from agenda setting and policy formulation to implementation and review. In addition to implementing research for IADB on The Consultative Process in the Formulation of Trade Policy in 2001–2003, CTPL has delivered numerous public consultation and trade policy formulation workshops for Latin American governments, civil society and the business community. CTPL has also supported the civil society-governmental dialogue in the FTAA process as facilitators for the Americas Business Forum. Training on WTO issues for Latin American small business owners and agricultural producers, women entrepreneurs and indigenous groups has been another major area of activity. CTPL has worked for CIDA, OAS and USAID in Latin America and is undertaking activities in Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama to build the institutional and human capacities for trade policy and regional integration. Focus areas include multilateral and regional trade negotiations, trade facilitation, trade in agriculture and standards.

International Gender and Trade Network (IGTN): The IGTN is a network of gender specialists working on gender and trade issues with NGOs, social movements and governments. IGTN aims to build South-North cooperation in developing more just and democratic policy from a critical feminist perspective. A subbranch of its network, the Latin America Gender and Trade Network (LAGTN), undertakes diverse regional capacity building activities with women's organisations and social movements around macroeconomics and trade. LAGTN also advocates for more transparent negotiations, especially on regional trade agreements. It has published gender analyses of trade agreements between the EU and Latin America and the WTO and is active in education and mobilization campaigns that engage regional women in civil society actions against unfair trade policies and agreements.

Conclusions

This mapping exercise demonstrates that a large and diverse group of actors is working on issues related to trade, poverty and inequality in Latin America. These actors comprise a wide spectrum of international institutions, regional organisations, bilateral development agencies and civil society organisations, as well as increasingly well-organised and well-resourced academic organisations, policy think tanks and research networks. However, they vary considerably in the scale, coverage and scope of their programmes, as well as their target audiences. While there are significant areas of consensus and common ground, there are also notable differences on policies and approaches for addressing the interests of Latin America's poor and vulnerable in relation to trade.

The number and diversity of these actors pose considerable challenges in terms of knowledge fragmentation and lesson sharing. However, at the same time, there are real opportunities for new initiatives, such as COPLA, to bridge these disconnects, facilitate knowledge sharing and strengthen partnerships to influence the response to the trade, poverty and inequality agenda in Latin America. The work of the PEMCE programme, USAID's work on trade and gender and experiences from a number of actors in experimenting with the Making Markets Work For The Poor approach to supporting SMEs and private sector development are particularly good examples.

The importance of joined-up approaches in tackling such a broad and complex agenda cannot be overstated and the mapping exercise has confirmed that a number of actors are pooling resources and taking advantage of each other's different strengths, such as DFID's trade and poverty trust funds with the World Bank and IADB. But there are many avenues for building substantial partnerships and sharing lessons amongst regional and international actors which could be better exploited to improve impacts for the poorest.

There is a need for a greater focus on working together and sharing lessons in key thematic areas such as trade and gender, SMEs, indigenous peoples and lagging regions. Examining the impacts on poverty and inequality stemming from the continuing process of economic integration and Free Trade Agreements, as well as identifying optimal responses, will remain

high priorities over the coming decade. Regional partnership building and lesson sharing will also need to be tailored to different sub-regional and national contexts, including the choice of national actors best suited to implementing specific policy and programming processes.

For further information contact Nicola Jones, ODI Research Fellow (n.jones@odi.org.uk) or visit www.cop-la.net

Useful links

International institutions

World Bank Projects http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/LACEXT/E XTLACREGTOPTRADE/o,,contentMDK:20554077~menuPK:1336115~pa

gePK:34004173~piPK:34003707~thesitePK:832674,00.html

International Finance Corporation http://www.ifc.org

United Nations Conference on Trade and Development http://www.unctadxi.org/templates/Startpage_

http://www.oecd.org/department/o,3355,en_2649_33956792_1_1_ OECD Centre for Entrepreneurship, SMEs and Local Development

1 1 1.00.html

Regional organisations

http://www.sedi.oas.org/ddse/english/cpo_mipymes.asp **Organisation of American States**

Inter American Development Bank http://www.iadb.org/topics/projects.cfm?language=English&topicl

D=CE&parid=5

Economic Commission for Latin America and the Caribbean http://www.eclac.org/default.asp?idioma=IN

(ECLAC) The text of the Draft EU-Andean Community Association Agreement

negotiating directive is available at

http://bilaterals.org/article.php3?id_article=8334

Secretaría de Integración Económica Centroamericana http://www.sieca.org.gt/

The Latin American and Caribbean Economic System http://www.sela.org/sela/index_e.asp

Andean Community http://www.comunidadandina.org/endex.htm

Andean Development Corporation http://www.caf.com/

Bilateral development agencies

USAID http://www.usaid.gov/

European Commission http://ec.europa.eu/index_en.htm

DFID http://www.dfid.gov.uk/

PEMCE Project: http://www.pemce-nic.org/

Swiss Development Cooperation http://www.sdc.admin.ch/

M4P Project: http://www.springfieldcentre.com/papers.php

CIDA http://www.cida.co.uk/

IDRC http://www.idrc.ca/en/ev-1-201-1-DO_TOPIC.html

Project's website: http://www.ca-asies.org/ca1/eng/eng.htm

Civil society organisations and intitiatives

Regoverning Markets initiative http://www.regoverningmarkets.org/en/global

http://www.fundes.org/ International Centre for Trade and Sustainable Development http://www.ictsd.org/

Oxfam International http://www.oxfam.org/en/programs/development/samerica/

http://www.oxfam.org/en/programs/campaigns/maketradefair/

Christian Aid http://www.christianaid.org.uk/stoppoverty/trade/stories/path.aspx **SME Congress of the Americas** http://www.smecongress.net/ Catholic Agency for International Development (CAFOD) http://www.cafod.org.uk/

CARE International UK http://www.careinternational.org.uk/ Save the Children Fund http://www.savethechildren.org.uk/ Citizens Trade Campaign (CTC) http://www.citizenstrade.org/

Academic organisations, policy think tanks and research networks

Institute for the Integration of Latin America and the Caribbean http://www.iadb.org/intal/index.asp?idioma=eng

Latin American Centre for Competitiveness and Sustainable http://www.incae.ac.cr/EN/clacds/que-es/

Development

Latin American Trade Network http://www.latn.org.ar/ Women in Informal Employment: Globalizing and Organising http://www.wiego.org/

(WIEGO)

Facultad Latinoamericana de Ciencias Sociales http://www.flacso.org/ Levy Economics Institute -Gender Equality and the Economy http://www.levy.org/

Centre for Trade Policy and Law, Carleton University http://www.carleton.ca/ctpl/ International Gender and Trade Network http://www.igtn.org/page/1/

Endnotes and References

- 1 This national level mapping is the subject of a forthcoming study by Mercedes Botto at FLACSO Argentina, one of five regional COPLA
- 2 The last Summit of the Americas was held in Mar del Plata, Argentina in November 2005, with the topic 'Creating Jobs to Fight Poverty and Strengthen Democratic Governance'. At the summit, Heads of State made a number of high level commitments related to trade, employment and promoting SME development in Latin America. The full text of the Mar del Plata declaration is available online at: http://www.state.gov/p/wha/rls/56901.htm
- 3 More information on the EU's relationship with the Andean Community and related documents is available at http://ec.europa.eu/ external_relations/andean/intro/index.htm

Berry, A. (2006) 'A Review of Literature and Evidence on The Economic and Social Effects of Economic Integration in Latin America: Some Policy Implications', paper presented at the IADB Workshop on Trade & Poverty, Washington, June.

CIDA (2003) Gender Equality and Trade-Related Capacity Building: A Resource Tool For Practioners, Ottawa: CIDA.

Elliot, D., Hitchins, R and de Ruijter de Wildt, M. (2006) Making Markets Work for The Poor: Comparative Approaches to Private Sector Development, UK: Springfield Centre.

Fontana, M. (2003) The Gender Effects of Trade Liberalization in Developing Countries: A Review of the Literature, University of Sussex Discussion Paper in Economics, Brighton: University of Sussex.

Ganuza, E. et al. (2004) Is Trade Liberalization Good for Latin America's Poor?, New York: UNDP.

IADB (2006) Aid for Trade: The IADB's Experience in Latin America and the Caribbean, Washington, DC: IADB.

INTAL (2002) The Trade Policy Making Process: Level One of the Two Level Game: Case Studies in the Western Hemisphere.

Jaramillo, C.F and Lederman, D. (2005) Challenges and Opportunities of DR-CAFTA for Central America, Washington, DC: World Bank.

Mably, P. (2006) Evidence Based Advocacy: NGO Research Capacities and Policy Influence in the Field of International Trade, IDRC Discussion Paper.

Mason, A.D. (2005) Policy Approaches to Managing the Economic Transition: Ensuring that the Poor Can Benefit from DR-CAFTA, Washington, DC: World Bank.

Partinos, H.A and Skoufias, E. (2007) Economic Opportunities for Indigenous Peoples in Latin America, Washington, DC: World Bank. Perry, G. and Olarreaga, M. (2006) 'Trade Liberalisation, Inequality and Poverty Reduction in Latin America', paper presented at ABCDE, St Petersburg, January.

Pomerada, C. (2006) 'Analysis of the Role of Research on Trade Negotiations and Policy Changes: Lessons from Latin American Experiences', paper prepared by invitation of the Latin American Trade Network.

Sáez, S. (2005) Trade Policy Making in Latin America: A Compared Analysis, Santiago: ECLAC.

Spieldoch, A. (2006) Trade in the Americas: Women Central to the Debate, Washington, DC: Center of Concern.

World Bank (2003) Inequality in Latin America and the Caribbean: Breaking with History?, Washington, DC: World Bank.



Overseas Development Institute, 111 Westminster Bridge Road, London SE1 7JD, Tel: +44 (0)20 7922 0300, Fax: +44 (0)20 7 922 0399, Email: publications@odi.org.uk. Readers are encouraged to quote or reproduce material from ODI Background Notes for their own publications, but as copyright holder, ODI requests due acknowledgement and a copy of the publication. This and other ODI Background Notes are available from www.odi.org.uk. © Overseas Development Institute 2008. ISSN 1756-7610.