The topics of production and dissemination of trade information are of utmost importance for Trade Promotion Organizations, and have achieved its greatest and fastest development in the last few years focusing mainly on 21st century technology. The tools analyzed include the following:

- The establishment of a virtual Trade Mart designed for online private sector placement of inquiries as well as matchmaking.
- The new AMIGA program (American Information Gateway), an internet based electronic commerce tool available on a cost effective basis from the Florida Trade Data Bank.
- The innovative web site sponsored by CETRA, which provides the opportunity to make commercial inquiries and learn about specific trade shows and international business opportunities.

The more traditional means of trade information were also discussed, such as commercial libraries, printed publications, maintenance of databases, as well the establishing of a hotline for quick personal assistance.

Among the suggestions made for a more efficient use of resources in obtaining and disseminating trade information, the following allow for a greater focus in the efforts of TPO’s.

1. Place resources in your primary market.
2. In new markets place resources on specific product sectors only.
3. Make sure your office has specific objectives and procedures for developing trade information.

With respect to sourcing or production of trade information, the following sources were identified:

1. Primary information is sometimes purchased by the TPO from outside sources and then copyrighted.
2. Secondary information that is licensed.
3. Trade information that is available at no cost and disseminated free of charge.

The actual collaboration of TPO’s was identified as a new source of trade information, through the sharing of experiences and resources. Another suggestion was for the establishment of export advisory panels possibly organized by industry sectors, which could serve as a performance evaluator for the TPO.

The efficiency issue is a political one and each TPO’s government entity must decide how its resources are allocated. However, the decision on who will receive which services and on what basis must be developed in the TPO. Also, these organizations must not evolve into consultancies and must honor their mandate to provide basic information to be effective for their private sectors.

Another issue was that both the credibility and quality of trade information not only had to be maintained but also enhanced. We also spoke about content management and the need to keep current
information disseminated through text, video and audio. One presenter pointed out that the information on their website was updated almost on a daily basis, which in itself is a unique challenge.

Concerning electronic commerce, several topics were reviewed. Electronic commerce is a new mechanism available to TPOs where there are several issues that need to be considered. One is the privacy issue and the other is related to security. Another challenge is that of strategic marketing utilizing electronic commerce.

Another issue is Internet technology. And this comes back to a point made earlier about sharing information and experience. The Florida Trade Center is actively trying to provide a platform for this collaboration.

The final conclusion was that Internet and World-Wide Web are the trade information vehicles of the future. And because developments are occurring so quickly in this area, the electronic commerce issue needs to be frequently discussed.
Before I address the specific issue at hand, international trade fairs, let me take just a few seconds to share with you one of my personal dreams that I am working to turn into reality. That is the issue of women’s role in the Haitian economic.

Haiti has a long tradition of women playing a central role in the country’s economic and social development. I have pledged my support to this by turning my attention to the issue of building female entrepreneurship. I recently created the Institute of Female Entrepreneurs (IFE), a private foundation dedicated to offering wide ranging support to women who want to create or expand micro-enterprise. The spectrum of support includes technical assistance services targeting design, product development, access to credit and marketing. Particular focus is being given to business initiatives that draw upon the rich and diverse Haitian cultural heritage. Consequently, small business initiatives in which women are emphasizing Haitian art, handicrafts, music and dance are of special interest to us.

In that sense, while IFE is not a TPO per se, it will bring these two very important elements (Haiti’s women and culture) to the forefront of our efforts in trade promotion. These often tend to be left behind as countries move towards globalization, where conformity tends to take precedence, but it is important to me that we preserve those things that make us unique.

With regards to our efforts for building an institution which will function as Haiti’s trade promotion organization, let me start by saying that Haiti has previously had 5 different institutions promoting trade and investment during the last two decades. All of these efforts have ended in failure. In asking ourselves why, some basic factors were apparent, but there were underlying factors that were perhaps more important. While eventually these efforts fell to the continuing social and political turmoil of the 70’s and 80’s, the organizations were generally struggling internally for two reasons. One was a lack of government commitment, the other was a lack of private sector involvement. As I have listened to the presentations over the last two days, it has struck me that these two issues have been common themes by the presenters.

On the eve of establishing our investment promotion center, which will function as a private foundation, we have addressed these two fundamental flaws from previous institutions. The government is committed to supporting our efforts and will be actively working with the Center. On one level, the government will be providing institutional support to the center through facilitation of investment. This will involve the active participation of government agencies directly responsible for the processes and documentation directly linked to investment and export operations. On another level, the government will contract to the center to provide promotional activities that will affect the overall image of Haiti. Meanwhile, we have taken all necessary measures to incorporate a wide spectrum of private sector organizations in the implementation and management of the Center.
We in Haiti have recognized that there is a fundamental need to rebuild the economy and our infrastructure before we can really focus on a broad export promotion strategy. While we do currently have some competitive advantages in certain export industries - and here I am referring to the apparel and handicraft industries - we must address very basic needs that will rely on investment into key sectors. The government has a privatization program underway which creates investment opportunities for infrastructure development. The investment promotion center will seek to help move this program along by helping to develop a country-image strategy. In addition, the center will seek to promote investment into other economic sectors that show promise. I agree with a speaker who earlier this week mentioned that country promotion cannot be country propaganda, and we will be careful to focus on real concrete goals that make sound business sense to local and international investors.

In regard to international trade fairs, in all of the presentations that I have heard I have noted that trade fairs, missions and seminars are among the most effective tools for making contacts and reaching new markets. It is important that international fairs be viewed as one of the most important components in trade promotion. The role of the international fair must be more implicit in the future and, on the other hand, the challenge of competing with electronic commerce must also be met. In the future Trade Fairs must have a new look.

Another interesting question we discussed is whether TPO’s should organize national and international fairs.

International fairs are becoming increasingly specialized, and in the future will be very professional. The cost of these specialized fairs will also increase and the issue of how to recover those costs will also have to be addressed. We will also have to ask ourselves what we expect from these fairs and how can we evaluate them.

Specialized fairs are keynote for doing business and in the future they will no longer be the concern of TPOs but also, of very specialized organizations.
In the panel on the linkages between the public and private sectors there was a consensus that TPO’s must increasingly incorporate the private sector into their activities.

After listening to the three presentations regarding this topic by the representatives of ProTrade (GTZ), APEX (Brazil), CORPEI, (Ecuador), the following aspects can be pointed out:

**GTZ-ProTrade, Germany**

In Germany, ProTrade is not a TPO in the narrow sense of the term but a part of GTZ, the German development agency. Its goal is to make a contribution to the economic and social development of its partner countries. In order to meet this challenge in a globalized world GTZ has developed a pilot program PPP (Public Private Partnerships) for which the German government has initially provided 100 million German marks for a period of three years starting in January, 1999.

Globalization in the ever increasing internationalization of trade relations is one of the considerations behind this program. The companies look for growing markets into Asia, Latin America and to some degree, Africa. Direct foreign investment has reached a level of five times the amount of total international development aid (US$ 300 billion vs. US$ 60 billion in 1997). The private companies have also become the driving force behind economic development in developing countries. Therefore, technical cooperation is the root of the public and private partnership idea of GTZ. The program’s aim is to look for possibilities of strategic partnerships, in which companies seek new business opportunities and GTZ takes care of the aspects related with training and job creation. The PPP definition is as follows: the private and public sector in projects commercially profitable and produce benefits to the recipient country from a development-policy aspect.

Public private-partnerships supplement and expand traditional trade promotion. In the past companies from the South were promoted and assisted. Subsequently, we hope to find partners in the North with this new program willing to invest in or cooperate with a partner in the South. This northern company would be guided and assisted in its efforts in a developing country. GTZ is convinced that in this way trade promotion is rapidly more efficient and cheaper than in the past. The guiding evaluation principals for the projects are compatibility, complimentarily and co-financement and non-distortion of competition.

**APEX, Brazil**

As in the cases of other countries, Brazil has undergone for some time a continuous trend of shifts regarding the functions of export promotion from the private to the public sector. This philosophy has also guided the recent creation of APEX, the export promotion agency of Brazil that began operating last April. It is an agency subordinated to the Presidency of the Republic but financed and oriented by the private sector. Its budget of approximately 40 million US dollars per year is financed by the Brazilian small and medium industry organization, active in all states of the country. APEX
follows the initiative of business sectors and industrial organizations in its programs, and aims to combine public sector strategies with private sector needs and market knowledge. Special emphasis is placed on small and medium-sized companies, management training and the achievement of a higher degree of competitiveness. These are the major goals of the APEX program.

The export development projects are developed in close cooperation, and financed by the private sector; namely industry federations. All actions are based on entrepreneurial consensus and financial participation by the private sector. The Government of Brazil has realized that the small and medium enterprise represent a large potential for exports and has started an ambitious program, SPE (Special Program for Exports), which aims to double Brazilian exports by the year 2002.

CORPEI, Ecuador

CORPEI, the newly created export and investment promotion agency of Ecuador ensured public and private cooperation from the beginning. The collaboration between the two sectors was already institutionalized: CORPEI was deliberately established by law as a private organization but recognized by the government as the official export and investment promotion agency. It was established by the foreign trade and investment law, and dates from June 9 1997. This law created both the foreign investment council COMEXI and CORPEI. COMEXI is the high council shaping Ecuador’s foreign trade relations, and has already among its members the most important private sector representatives as well as the permanent delegate of the President of the Republic as Chairman, the Ministers of Foreign Trade, Foreign Affairs, Finance, Agriculture and Tourism; a total of six members. The private sector is represented by the President of Ecuadorian Exporters Association of Industry and Chambers of Commerce, and a representative from the national agriculture, aquaculture and fishing export sectors. In comparison, the board of Directors of CORPEI has the following members: from the public sector the representatives of the Ministry of Foreign Trade, Foreign Affairs and Agriculture, and the General Manager of the National Finance Corporation. The private sector is represented by delegates from the Ecuadorian Exporters Federation, the National Federation of the Chambers of Industry Commerce and Agriculture Small Industry and the National Board for the Defense of the Federation of Small-scale Fishing. Also represented are all groups of products with exports that account for more than 2% of the nation’s exports during the preceding year.

CORPEI is financed by a contribution based on the FOB price of the private sector’s crude oil exports, and the exports and imports of petroleum products from both the public and private sectors. Ninety per cent of CORPEI’s financing is generated by the private sector. In foreign countries, CORPEI uses the services of the missions of the Ministry of Foreign Affairs. Public and private sector cooperation is ensured in Ecuador’s trade promotion activities because all programs are elaborated with the collaboration of the private sector and the organization itself will have sector specialists to provide customized service to the individual business sectors.
CONCLUSIONS WORKSHOP 4
CRITERIA AND MECHANISMS OF CO-FINANCING EXPORT PROMOTION

We had three splendid presentations by agencies from Switzerland, Mexico and the State of New York. In these presentations, the nature of the agencies was described, as well as their programs services, and the way in which they are financed and structured. In that analysis, we learned that the issue of financing, and specifically of co-financing the promotion of exports is fundamental to our activity. Declarations of principle were also made of the mission of our institutions.

For this reason, instead of concentrating on each of the presentations, I will try to focus on the substance of the discussions regarding the criteria and mechanisms of co-financing and the agreements and consensus we have reached. Over these three days, we have confirmed our conviction that the sustained increase of exports is the engine for growth in our economies and the basis for the social development of our people, since it allows us to mature and consolidate the national productive sector and, accordingly, foster the creation of better jobs. We have also agreed that the companies are the ones who, in the end, develop markets and achieve greater levels of competitiveness, and it is towards those companies that our policies and tools must be oriented. In this regard, given the characteristics of the increasing competitiveness of international markets, the bulk of export activity in our economies lies with large companies in few products and in few markets. As a result, our basic task is to promote the development of foreign trade based on increased participation and diversification.

The experiences we have had and those in which we have participated demonstrate that our work is much more important than the mere organization of events, but one that does play a significant role in the development of internationally competitive enterprises and entrepreneurs.

The financial contribution by companies in promotional programs in which they participate tends to significantly involve them in the design, development and follow-up of such initiatives, assuring the relevance and improvement of their results. The creativity evidenced by our institutions in the design of the different export support tools that we use, should be intensified in the search for greater sources of financing that will help us increase the scope of those tools and create new ones. Among the trade promotion programs and services offered by institutions, it is important to mention that they are classified into different areas of business in the scope of promotion, which must necessarily imply differentiated co-financing schemes.

This is related to the benefits of the programs and services offered. The greater the benefit of a company as the result of a specific program, the greater its contribution to that program. Our institutions, when focusing decidedly on the needs of companies, must be able obtain from them a deeper commitment that will result in increased resources. Therefore, it needs to be underlined that trade promotion is necessary and effective for its own international participation; however, this costs money, so contributions must be made to further its development.
In order to increase our services and coverage, we must decidedly incorporate a greater number of partners in the development of our work, who contribute technical and monetary resources to promotional activities. In this sense, important agents such as international agencies, state, regional and municipal governments, universities and research centers must be included. We need our institutions to more fully develop a culture of service and efficiency. Our staff needs to specialize by sector and product, and take into account the vocation and priority of the different regions as well as the opportunities offered by the international market. This specialization will help our agencies to more fully understand the problems and meaning of our projects. By taking this important step, efforts to market the services of our institutions and generate income to finance our activities will be much easier and, in turn, enhance our credibility with companies.

In conclusion, exports are an engine for growth in our economies, so alternative mechanisms of co-financing must be developed that will stimulate and make trade promotion programs more efficient.
GENERAL CONCLUSIONS

Mr. Hector Casanueva
Director of ProChile
CHILE

We have listened to the clear and academic presentations of distinguished participants of the World Trade Organization (WTO), who have given us important guidelines that should prevail in our instruments of trade promotion. The theoretical exposition has been complemented by a practical description of how to design, implement or make our programs compatible with the WTO guidelines. We have been informed that there is a risk that many of the programs that we use can be catalogued as actionable subsidies. In this sense, it is important to draw the main conclusion that our institutions will have the option, through their respective governments, to present our position in the negotiations at the new Millennium Round. All of us are convinced that in today’s globalized world, our daily work is necessary and fundamental because we facilitate foreign trade operations through the establishment of contacts for the private sector; we serve as spokesmen to public institutions of other countries; we allow the compilation and adequate dissemination of trade information; and above all, we give small and medium-sized businesses the possibility of entering the international market.

Our institutions have different levels of advancement in regard to the analysis and management of the instruments for export development. The second and third plenary sessions have provided us with the most successful experiences of countries chosen from the five continents, thus giving the newer entities the opportunity to know and to become familiarized with the successful factors of organizations with the longest history.

After these three days of work, we know that many new institutions have made contacts at this meeting, in order to learn and rely on technical advice for the programs presented. This leads us to believe that this Conference has met one of its most important objectives.

We have specially had time to debate topics concerning an effective export promotion program. As stated by the representative of the European Union, trade promotion embraces a wide spectrum of issues, the majority of which we have dealt with at this Conference. Among them we can mention the importance of production development related to the international marketing of products, the need to establish integral programs of trade promotion, the need to design ever-more efficient and numerous programs to produce and distribute trade information, the role of technological development, the need to create an exporting mentality in the small and medium-sized companies, as well as other issues.

Today, after this meeting marked by such interesting interventions, we can associate institutions with the concepts here presented:

- Peru and the need for our institutions to establish bonds of trust with the private sector.
- Spain with its program of initiation of companies.
- New Zealand and its important progress in “trade information” and “market intelligence”.
- The United States and its advanced programs of electronic trade.
Morocco and its interest in the development of the manufacturing and high value added industry and of services.
Holland and its interest in facilitating trade between emerging nations and the European Union.
Costa Rica and the need to design medium- and long-term strategies.
Mexico and its "MEXICO EXPORTS" program of developing export products.
China and its legal assistance program.
Zimbabwe and its interest in training human resources.
Colombia and the importance of the segmentation of users in the supply of services.
Belgium and the importance of the corporate image.
Chinese Taipei, and its advanced programs of trade information on the Internet.
Japan and the importance of promoting two-way trade: exports and imports.
Germany and their interesting program of interaction between the public sector and the private sector (PPP).
Brazil and its “amplified” program of the promotion of exports that incorporates the improvement of the exportable supply.
Switzerland and the importance of the trade valuation of trade promotion services on the part of the private sector.
Ecuador and the development of the competitive advantage and its new Law on Foreign Trade and Investments.
Hong Kong - China and its program of international image and international fairs.

Lastly, all the concepts expressed at this meeting bring new ideas and therefore new challenges. We know that there is not just one model for the promotion of exports, but by means of this type of initiative, we have the opportunity to gain an understanding of the spectrum of instruments available to the reality of each of the countries.

We have worked for three days without rest, which implies a total of 27 hours discussing trade promotion, without including the informal moments that we have shared. In these three days, we have exchanged our experiences, our successes and our failures, and we hope that this effort has been enriching for all.

In order to have an idea of the number of contacts made, we know that if each one of us has spoken to, and exchanged opinions with at least three different persons per day, then each participant has networked with at least 9 participants, which results in 2,700 new contacts.

There have been close to 300 bilateral meetings, and ProChile has signed six new cooperation agreements with its counterparts from Peru, Cuba, Morocco, Tunisia, Rumania, and Turkey, without mentioning others that are promised for the future.

In two years we will meet again in Morocco, where we will be able to examine the advances made.
DECLARATION OF THE TRADE PROMOTION ORGANIZATIONS ASSEMBLED AT THE
WORLD CONFERENCE IN SANTIAGO, CHILE

"FREE TRADE AND THE PROMOTION OF COMMERCE IN THE NEW INTERNATIONAL
ENVIRONMENT"

Eighty-six official organizations for the promotion of foreign trade from sixty-six economies of the five continents, with the participation of the International Trade Center UNCTAD/World Trade Organization (WTO), after three days of productive deliberations and the exchange of experience and information, have agreed:

1.- To reaffirm our commitment to the principles and practice of free trade throughout the world.

2.- To foster the growth of world trade, to fulfill the objectives of social and economic development of our economies, to improve in the standard of living for the entire population the world over given its direct repercussion on employment and on the quality of goods and services available to consumers.

3.- To work actively at improving the productivity and competitiveness of our economies, to contribute to the equal opportunities by taking advantage of the possibilities created by the globalization process, the Marrakech Agreement and the agreements of regional integration and free trade agreements.

4.- To consider the promotion of foreign trade as an instrument that will help strengthen free trade and bolster the activity of the private sector. This promotion must not be utilized as a mechanism to distort free international competition or as an argument to foster protectionism.

5.- To continue to cooperate in the exchange of information and experience and to collaborate in the development of new promotion instruments consistent with the regulations of the WTO.

6.- To recognize that fair competition and good faith are the foundations of international trade, and to promise to continue in this spirit to promote the exchange of goods and services.

7.- To define the promotion of free trade as a social investment, inasmuch as it creates opportunities, wealth and improves the quality of life for the population and is therefore an instrument for equality.

8.- To meet again in Morocco in the year 2000, where we hope to count with the participation of all Trade Promotion Organizations.

Santiago de Chile October 22, 1998