CLOSING SESSION

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Before summarizing the conclusions of this meeting in conjunction with the workshop leaders, I would like to invite Ms. Ingrid I. Vanore-Speer, Technical Cooperation Director of the International Trade Center - ITC - to give us her conclusions. I extend this invitation in view of the importance of her conclusions, her position and the enthusiasm she has displayed at this meeting.

CARTAGENA DECLARATION

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FOLLOW UP ACTION

In order to ensure that the trade related technical assistance needs of TPOs and the various ways of interaction among TPO’s economies identified during the World Conference effectively met, participants call upon all relevant international, bilateral/multilateral donors and technical assistance agencies particularly WTO, ITC, World Bank, IMF, MFIs including IDB, UNDP, Import Promotion Offices (IPOs) in industrialized countries including the European-FORUM- IPOs to formulated, finance and implement programmes, including improved

* Original Version: Spanish, unofficial version
networking arrangements as a matter of priority, and within their mandates, oriented to the recipient countries requirements.

**ITC Contribution to Final Report**

Trade Promotion Organizations (TPOs) are invited to build on (a) ITC's unique institutional status as the focal point in the UN system for technical cooperation with developing countries and transition economies in trade promotion and export development, in partnership with the governments and business sectors; (b) on its universality and, (c) on its close links with its parent organizations WTO and UNCTAD, through which ITC's services strengthen the links between trade policy and trade promotion, thus complementing the WTO's and UNCTAD's policy, research, normative and deliberative work in the trade sector. Through its technical cooperation programme which focuses on strengthening the participation of developing and transition economies in the post-Uruguay Round international trading system, ITC assists recipient countries in the design of tailor-made programmes at the national and regional levels by providing technical expertise to enterprises and public and business-sector trade support institutions in its 6 Core Services; ie.

- Product and Market Development.
- Trade support services such as trade financing, export quality management, export packaging and legal requirements of international business.
- Trade information.
- Human resource development.
- International purchasing and supply management, and
- Needs assessment and programme design.

Full use should be made of ITC's South-South trade development methodology which is designed to foster economic cooperation between member countries of economic groupings in general and the promotion of intra-regional trade in particular.

The methodology has five strategic components:

1) Trade flow analyses; 2) supply and demand surveys; 3) buyers-sellers meetings; 4) the establishment of trade information networks, and 5) the setting up of trade services in areas such as packaging, quality assurance and trade financing. Close involvement of TPOs and other
multiplier organizations is an integral part of such intra-regional trade development programmes of which the majority of beneficiaries are SMEs.

ITC's national and regional programmes are complemented by its global thematic programmes which develop and deliver, inter-alia, specialized technical assistance tools such as self-learning systems, diagnostic tools and practical guides. In addition, ITC has an obvious comparative advantage for establishing strategic alliances including joint ventures, for networking and clearing house functions.

Issues of common concern such as poverty alleviation and employment generation, gender equity and environmental protection, form part of all ITC's programmes or can be the subject of selected special projects such as is the case in Women in Trade Development (WITD).

In the provision of its services ITC assumes a dual role by providing specialized support in areas where it has a comparative advantage while complementing, facilitating and catalyzing the technical cooperation programmes of other international regional and bilateral organizations such as, inter-alia, the WB, IMF, EC, MFI, IDB and the Import Promotion Offices (IPOs) including the European Forum members.

Cont. Closing Session – Lázaro Mejía Arango

1. CONCLUSIONS

General Aspects
The initiative of the Meeting was well received, it gathered representatives from Trade Promotion Organizations in five continents and 44 countries as follows: Australia; North America; 13 countries from Latin America and the Caribbean, 13 from Europe, 6 from Africa and 8 from Asia.

This encouraging response to the invitation made by Colombia is translated into the pressing need to identify joint mechanisms to promote exports efficiently and dynamically in the XXI century.

In addition to the ample attendance, we would like to highlight, and naturally thank, the high level of the participants and of their papers. Around 250 strategic meetings were held today in the contact session.
Conclusions of WTO and ITC

1. It is clear that these two organizations are committed to give their decisive support to trade promotion entities worldwide.

2. The ITC and promoting entities are natural partners.

3. The promoting entities should make use of ITC services such as data bases, technical and inter-entity cooperation, training, support for customized product-country projects, and the development of new products and markets.

4. Promoting entities should include the subject of sustainable human development as a support for their targets and tasks.

5. There should be effective inter-action among promoting entities and the so-called Trade Points.

The subject of technological parks was mainly addressed by Swedish representatives in view of their experience in this field. Countries who do not yet have this trade promotion mechanism should consider it as a development option for medium and small industry.

Here, we stress the incomplete nature and insufficient development of the free-zone concept, it appears essential for technological development to fit into a more precise concept such as that of technological parks.

Strengths and Weaknesses

**LATIN AMERICA**

**Strengths**

- Shows significant progress in diversification of products and markets.

- Without doubt, there is growing evidence that promoters are directing their attention to small and medium-sized industry.

- There has been progress in incorporating added value to exports, but this needs to be further exploited.

- While trade information systems have been modernized, this must be continued, achieving worldwide integration.

- Latin American representatives were almost unanimous in referring to sectorization as the target for promoting exports.
It is essential to concentrate on promotion activities with the private sector so as to better identify the true needs of exporters.

**Weaknesses**
- Resources are not optimized.
- There is little knowledge of other promotion mechanisms in the international field.
- Trade information is not consolidated, not even at continental or sub-continental level. This aspect must be enhanced.
- Service coverage needs to be extended to more exporters. In some cases, there is no overall policy to promote exports that covers the whole production chain.
- There is a need for greater interaction between the public and private sectors.

**AUSTRALIA**

**Strengths**
- There has been progress in diversification of products and markets.
- Trade philosophy is clear-cut with regard to promotion services.
- Communications are efficient, with a worldwide office network.
- Policy is always flexible and adaptable.
- Export promotion organizations, particularly AUSTRADE, participate actively in designing national trade policy. I take advantage of this Australian strength to point out that promotion entities are not always able to participate in designing trade policy. For example, in the specific case of Colombia the private sector should be more involved and should express its point-of-view in discussing integration agreements, doing so via the Trade Promotion Organizations. A major strength in Australia is that it was one of the countries which most stressed the importance of appraising export promotion management. Furthermore, it submitted a very coherent appraisal system in this respect.

**Weaknesses**
- Just one: lack of resources.
EUROPE

Strengths
- Significant progress in diversification of products and markets, a conclusion based mainly on results in Spain.
- Greater and better attention to the small and medium sized industry and excellent identification of export vocation.
- Important achievements that guarantee the flexibility and adaptability of export promoting entities.
- Correct and efficient promotion actions are properly identified with the private sector.
- Excellent progress with respect to human resources at promotion organizations and among exporters.
- Good progress in training programs that involve the academic sector in the process of commercializing exports.
- Sectorial policy is being properly developed via business consortiums.
- Consolidation of a foreign office network having ample coverage and good credibility.

Weaknesses
- These organizations need to be more concentrated, particularly if they are to develop new products.

In promoting imports:

Strengths
- Important achievements in diversifying products and markets.
- SMEs are offering more and better services, although this needs to be improved in certain regions, especially Latin America.
- Obtaining programs for technical cooperation, consultancy and training in keeping with the specific needs of developing countries.
- Optimization of resources
- Good interaction with similar entities in import promotion programs.
Proper selection policy. This conclusion is particularly true for the CBI in Holland where companies and products are well matched to markets.

Successful in involving government, companies and associations in developing programs.

**Weaknesses**

- Further resources are needed to design/implement long-term programs.
- Comprehensive promotion programs are needed at a regional level, in keeping with the integration tendency in various countries, particularly in Latin America.
- The import promotion programs should be extended throughout Europe via Forum: the union of import promotion offices in Europe.

**ASIA**

**Strengths**

- Companies participate directly in the design/implementation of trade policy.
- Permanent and dynamic interaction between government and entrepreneurs.
- There are incentives to develop the export production chain.
- Excellent diversification of products and markets.
- Ample knowledge of markets and consumers.
- Excellent integration of services for both exporter and importer.

**Weakness:** Seen from a different perspective than in our continent:

- Greater and better service for small and medium-sized industry.
- Decisive support for improving production design and quality.
- Services directed at full client satisfaction, both importer and exporter.
- Relating export promotion to foreign investment and technology transfer.
Weaknesses

- Planning strategies need to be more flexible.
- More space is needed to exhibit products.
- More offices are needed abroad.
- Greater specialization is required in products and markets.
- More effort should be directed toward new products.
- With respect to Korea, it was considered that a budget depending on the government was a weakness. The speaker said this became "a barrier for extending services".
- Again referring to Korea, there was mention of excessive centralization preventing greater flexibility in services.

NORTH AMERICA

Export Promotion

Strengths

- Improved services for small and medium-sized industries, while admitting the need to know more about these industries throughout the world, particularly in Latin America.
- Very successful in designing programs for technical cooperation, consultancy and training in keeping with specific needs of developing countries.
- Constant improvement in optimizing resources.
- Adopting a policy to select the companies, products and markets best suited to receive its services.
- Involving companies, associations and governments in developing its programs.

Weaknesses

- The vast expense of programs to rehabilitate companies that were subject to protectionist policies in developing countries.
- Comprehensive promotion programs are needed at a regional level, in keeping with the worldwide trend towards integration and particularly in Latin America.
AFRICA

Strengths
✓ There has been an improvement in diversifying markets/products.
✓ Pays more and better attention to small and medium-sized industries.
✓ Promotion entities have made progress in adaptation.
✓ While there have been important achievements, this continent must continue its efforts and strive to achieve added value in exports.
✓ Information shows significant improvements but is still very isolated from the rest of the world.

Weaknesses
✓ Lack of resources to extend promotion services.
✓ Need for better interaction between public and private sectors; this is particularly true in the case of South Africa.

GENERAL CONCLUSION

Certain items are common to all trade promotion organizations worldwide. It is clear that promotion has benefitted the economy of the different countries, mainly by creating jobs, diversifying products and markets, concern for small and medium-sized industry, developing commercial information and obtaining better growth rates.

While some entities have been able to adapt to structural and circumstantial changes in world trade, this framework needs to be permanently rearranged to assure harmony between the force of the export economy and the entities in charge of promoting it.

There is need for a global framework that sets out the rules for trade promotion in the next century, assuring its stability and permanence.

If the industrialized countries are to supply the technical cooperation needs of developing countries and economies in transition, which have been fully identified at this meeting, it is essential to join forces with the multilateral agencies whose resources are directed at resolving our trading deficiencies.
2. PROPOSAL TO THE AUDIENCE

I must inform the audience that, as a result of the paper I presented on the first day, during these four days all the countries without exception have expressed their opinion that this event should be continued. There is unanimity in that the meeting -or the Conference - which would appear to be a more suitable term for our aims - be held annually and then every two years - naturally the decision lies with you.

We are aware that an annual Conference implies a greater effort for both the host country and all those attending. We put forth three reasons to justify an annual event, at least initially.

1. Export promotion policies are facing a phase where dynamism is essential within the framework of globalization, internationalization and deregulation. Policies change, countries adopt new criteria; therefore an annual event is recommended.

2. With the exception of Mr. K.H.Wug (External Trade Development Council of Taiwan) nobody is sure of their job for so long. Those of us who today direct export promotion policy may resign or be replaced. We must perceive the dynamism involved in such changes, therefore this is another reason for recommending a yearly frequency.

3. Many countries are just joining the export promotion field and they will learn from the others. These counties are eager for information, technology, technical cooperation and they have expressed their opinion that, at least initially, the Conference be held annually.

Despite an initial discussion, there was also unanimity, at least among those countries who spoke to me - in the choice of the countries for the next two meetings: respectively Morocco and Chile.

Regarding Morocco, we can say that it is a country where modernization is under way, it has a market economy, it is continuously adapting its institutions, and has a trade policy of integration not only with African nations but also with other countries worldwide. The Moroccan Export Promotion Agency has signed 20 agreements with similar entities and its General Manager,
Mr. Mounir M. Bensaid, publicly expressed here his wish to be the host for the next meeting.

We all know that Chile is the Latin American country with important achievements in the field of export promotion; it has also taken important steps to modernize the export sector. Mr. Jean-Jacques Duhart Saurel has expressed the interest of the Chilean government in hosting the 1998 meeting.

Since I cannot present this idea, although the majority of countries did so, I would like to open the discussion on this subject.

Brazilian representative:
I would like to say a few words. Our Colombian friends at Proexport have taken a lot of trouble to organize this Conference, which has been excellent. Therefore, I think we could conserve this fine symbol created by Proexport as an example for our next meeting. Secondly, I support the decision to hold the next meeting in Morocco, I think this is a good choice.

3. CLOSING SESSION

We Colombians have just received some good news, which I would like to share with this audience. The government has just signed an agreement with the peasant representatives in the south of the country. This brings to an end a conflict that has lasted for several weeks. Many of you read about it in the international press. The conflict arose because the government planned to eliminate illicit crops in the south and faced a critical situation because the peasants, for reasons not worth mentioning here, had converted these crops into their means of livelihood.

The signing of this agreement and the end of the conflict is a day of rejoicing for Colombia. It represents a satisfactory solution to a situation that posed problems for the entire country. The government decided to provide economic aid so illicit crops can be replaced by subsistence crops, thus guaranteeing our peasants an acceptable standard of living.

Accordingly, our President has traveled to southern Colombia to sign the agreement, and has asked me to apologize for not being here this
afternoon. He personally thanks and congratulates each of you for bringing this Conference to a successful conclusion, and particularly for assuring the continuity of such an event. This will benefit countries all over the world. Therefore, please excuse his absence this afternoon.

While both the organizers and myself have been congratulated on the organization of this event, please forgive any possible inconvenience you may have experienced. We have made significant progress in preparing international events. For example, Colombia hosted the Conference of the Non-Aligned Countries, as President of the movement; it recently organized the Conference of the Americas, which aims to establish a free trade zone extending from the northern tip of North America to Patagonia; and of course this conference, and other important regional and international events. While we have gained experience in organizing conferences of this type, we may have made mistakes. Therefore, once again, please forgive us.

On behalf of Proexport and myself, I would like to congratulate Morocco and Chile for being chosen to host the next two Conferences. With these words, I close this meeting.