

Agricultural exports to Europe

By **LUIS RAMÓN RODRÍGUEZ**

MINISTER OF AGRICULTURE OF THE DOMINICAN REPUBLIC AND PRESIDENT *PRO TEMPORE*, CENTRAL AMERICAN AGRICULTURAL COUNCIL



LUIS RAMÓN is the Minister of Agriculture of the Dominican Republic. He is an Agricultural Engineer and graduate of the Instituto Superior de Agricultura, and holds Master's degrees from the University of Hawaii and the Wharton School, University of Pennsylvania. He was Vice-Minister for Agricultural Planning, and was a Dominican negotiator for the Economic Partnership Agreement (EPA) between CARIFORUM and the EU. He is pro tempore President of the Central American Agricultural Council.

The Central America Integration System (SICA) serves a region comprising the seven countries of Central America (Belize, El Salvador, Guatemala, Honduras, Nicaragua, Costa Rica and Panamá) plus the Dominican Republic. As President pro tempore of SICA during January-June 2014, the Dominican Republic brings a commitment to sustainable human development and the advancement of economic sustainability of agriculture, including food processing, clustering and exports.

The region is a key producer of several important agricultural commodities and tropical produce, such as bananas, cacao, coffee, fruits, vegetables and others, with a dynamic market and strong demand in the European Union.

In 1991 the Central America Agricultural Council (CAC) was established, which formulates regional policies and assists in the implementation of specific programmes geared towards increasing the competitiveness of agriculture in the world of stricter quality standards required by EU countries such as the United Kingdom.

During recent years the region has moved forward in its trade relations with the implementation of several trade agreements. The Dominican Republic-Central America-US free trade agreement (DR-CAFTA) led us to adopt a set of policies enhancing economic stability, private investment in production, public investment in education, infrastructure, logistics, and good governance in general.

Our relations with the EU are framed by two landmark legal instruments: the CARIFORUM-EU Economic Partnership Agreement, applicable since January 2008 to Belize and the Dominican Republic; and by the Central America-EU Association Agreement, which entered into force in January 2013 for Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

The CARIFORUM-EU EPA granted all CARIFORUM Members, including Belize and the Dominican Republic, duty-free and quota-free market access for the entire tariff universe. It is also fostering trade-related cooperation and attracting Foreign Direct Investment (FDI) for private sector growth.

The Central America-EU Association Agreement opens up markets on both sides, improves the investment climate and fosters integration between

the EU and the Central American countries, while reinforcing economic integration among SICA Member States.

These two agreements are binding in the trade relationship each SICA Member State has with the UK, creating unprecedented business opportunities not only for UK investors and exporters into SICA countries but also for UK importers demanding the highest quality standards.

The impact of our trade agreements is palpable in the figures. While remaining virtually stagnant between 2000-2009, agroindustrial exports from the region at the end of 2013 amounted to €7,717 million, almost 67 per cent more than in 2009. The same goes for agroindustrial imports, which have grown almost 25 per cent since 2009, to €11 million.

Currently, major UK exports to the SICA region include beverages, medicinal and pharmaceutical products, road vehicles, specialised industrial machinery, electrical machinery and miscellaneous manufactured articles, while SICA exports mostly agricultural products to the UK.

The Agricultural Ministries of the SICA region have taken a market approach to the improvement and enhancement of agricultural development with policies and strategies to support productivity and competitiveness.

The business climate is improving, with a view to setting up public-private partnerships and attracting FDI for industrialising the sector further while, at the same time, realising regional economies by treating our market as a unified source and destination for UK business. Capacity building, investments in renewable energy projects, public investment in new technologies such as greenhouse production and promotion of joint ventures are also vital.

These initiatives all seek to address the urgent need we have in the SICA region to meet the insatiable demand for our products in the UK, meeting quality standards, adding value and proving our capacity to cater to the needs of the market reliably.

On behalf of the SICA Agricultural Ministers, I am pleased to reiterate that the region is open for business, with clear rules, business-oriented strategies and a commitment to the highest standards applicable to the quality of our products, the treatment of our workers and the promotion of investment.