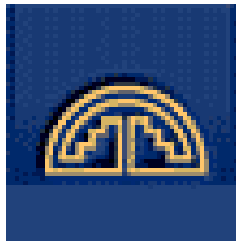


The Andean Community of Nations (CAN)



The Andean Community of Nations (Spanish: Comunidad Andina de Naciones, CAN) is a trade bloc comprising the South American countries of Bolivia, Colombia, Ecuador, Peru and Venezuela (which is in the process of leaving the bloc). The trade bloc was called the Andean Pact until 1996 and came into existence with the signing of the Cartagena Agreement in 1969. Its headquarters are located in Lima, Peru. The Andean Community has 120 million inhabitants living in an area of 4,700,000 square kilometers, whose Gross Domestic Product amounted to US\$745.3 billion in 2005, including



The Andean Community of Nations (CAN)

Membership





The original Andean Pact was founded in 1969 by:

- ♣ Bolivia,
- ♣ Chile,
- ♣ Colombia,
- ♣ Ecuador and
- ♣ Peru.
- ♣ In 1973, the pact gained its sixth member, Venezuela.
- ♣ In 1976, however, its membership was again reduced to five when Chile withdrew.
- ♣ Venezuela announced its withdrawal in 2006, reducing the Andean Community to four member states.
- ♣ **Recently, with the new cooperation agreement with Mercosur, the Andean Community gained four new associate members:**
 - Argentina,
 - Brazil,
 - Paraguay and
 - Uruguay.




- ♣ These four Mercosur members were granted associate membership by the Andean Council of Foreign Ministers meeting in an enlarged session with the Commission (of the Andean Community) on July 7, 2005.
- ♣ This move reciprocates the actions of Mercosur which granted associate membership to all the Andean Community nations by virtue of the Economic Complementarity Agreements (Free Trade agreements) signed between the CAN and individual Mercosur members.

Current members:

-  Bolivia (1969), in process of joining Mercosur
-  Colombia (1969), in the framework of Unasur and associate member of Mercosur
-  Ecuador (1969), in the framework of Unasur and associate member of Mercosur
-  Peru (1969)




Former full members:

-  Venezuela (1973-2006), joined Mercosur

Associate members:

-  Argentina (2005), in the framework of CSN (South American Community of Nations)
-  Brazil (2005), in the framework of CSN
-  Chile (full member 1969-1976, observer 1976-2006, associate member since 2006)

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-  Paraguay (2005), in the framework of CSN
-  Uruguay (2005), in the framework of CSN
-  Venezuela (2006), in the framework of CSN

Observer countries:

 Mexico

 Panama

Relationship with other organizations

-  The Andean Community and Mercosur comprise the two main trading blocs of South America.
-  In 1999, these organizations began negotiating a merger with a view to creating a South American Free Trade Area (SAFTA).
-  On December 8, 2004 it signed a cooperation agreement with Mercosur and they published a joint letter of intention for future negotiations towards integrating all of South America in the context of the Union of South American Nations, patterned after the European Union.
-  During 2005, Venezuela decided to join Mercosur. Venezuela's official position first appeared to be that, by joining Mercosur, further steps could be taken towards integrating both trade blocs.
-  CAN Secretary General Allan Wagner stated that the Venezuelan Foreign Minister Alí Rodríguez had declared that Venezuela did not intend to leave the CAN, and its simultaneous membership to both blocs marked the beginning of their integration.
-  However some analysts interpreted that Venezuela might eventually leave the CAN in the process.
This prediction seems to have been finally verified in April 2006, with Venezuelan President Chávez's announcement of his country's withdrawal from the Andean Community after stating that, as Colombia and Peru have signed free trade agreements (FTAs) with the United States, the Community is "dead".
-  Officials in Colombia and Peru have expressed their disagreement with this view, as did representatives from Venezuela's industrial sector (Conindustria).
-  Despite this announcement, Venezuela has yet to formally complete all the necessary withdrawal procedures.
-  According to Venezuela's Commerce Minister María Cristina Iglesias, the entire process will take up to five years. Until then, Venezuela and its partners remain bound by the effects of the community's preexisting commercial agreements.

The Andean Community of Nations (CAN)

History

- ✿ The groundwork for the Community was established in 1969 in the Cartagena Agreement.**
- ✿ In 1973 Venezuela joins Andean Pact.**
- ✿ In 1976, Augusto Pinochet withdrew Chile from the Andean Community claiming economic incompatibilities.**
- ✿ In 1979, the treaty creating the Court of Justice was signed and the Andean Parliament created and the Andean Council of Foreign Ministers were created.**
- ✿ In 1983, the treaty creating the Court of Justice entered into effect.**
- ✿ In 1991, the presidents approved the open skies policy and agree to intensify integration.**
- ✿ In 1992, Peru temporarily suspended its obligations under the Liberalization Program.**
- ✿ In 1993, the Free Trade Zone entered into full operation for Bolivia, Colombia, Ecuador and Venezuela.**
- ✿ In 1994, the Common External Tariff was approved.**
- ✿ Colombian President Álvaro Uribe delivering a speech at the opening of the Fourteenth Meeting of the Andean Presidential Council, June 27, 2003.**
- ✿ In 1996, the Cartagena Agreement Commission approved the regulatory context for the establishment, operation, and exploitation of the Simón Bolívar Satellite System.**
- ✿ In 1997, an agreement was reached for Peru's gradual incorporation into the Andean Free Trade Zone.**
- ✿ In 1998, the Framework Agreement for the creation of a Free Trade Area between the Andean Community and the Mercosur was signed in Buenos Aires.**
- ✿ In 2000, a meeting of the South American Presidents, at which the Andean Community Heads of State and Mercosur decide to launch negotiations for establishing a free trade area between the two blocs as rapidly as possible and by January 2002 at the latest.**
- ✿ In August 2003, the Andean Community and Mercosur Foreign Ministers, during a meeting in Montevideo at which the CAN delivered a working proposal containing guidelines for the negotiation, reaffirmed their governments' political determination to move ahead with the negotiation of a free trade agreement between the two blocs.**

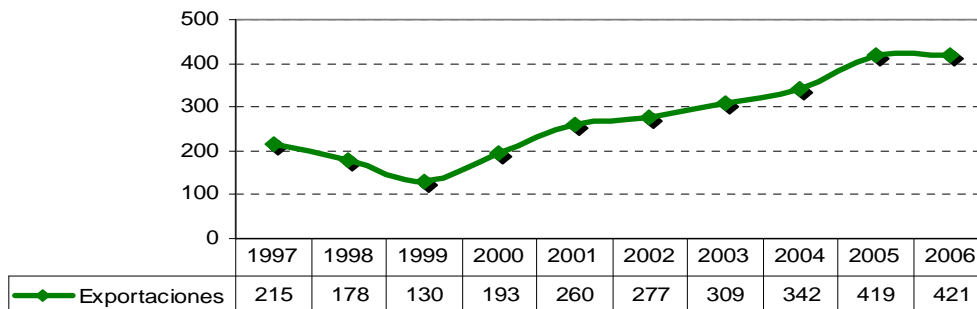
The Andean Community of Nations (CAN)

✚ In April 2006 President Hugo Chávez announced that Venezuela would withdraw from the Andean Community, claiming the FTA agreements signed by Colombia and Peru with the USA caused irreparable damage to the community.

Organization

- Andean Presidential Council
- Andean Foreign Relations Ministers Council
- Commission Headquarters (Lima, Peru)
- Andean Justice Tribunal
- Andean Congress (Bogotá, Colombia)
- Latin American Reserve Fund
- Simón Bolívar Andean University

**Exportaciones de Comunidad Andina hacia Rusia
(Millones de dólares)**



**Exportaciones de la CAN hacia Rusia
(Estructura Porcentual %)**

