

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary - Public

**Date:** 7/15/2010

**GAIN Report Number:** 

## Costa Rica

**Post:** San Jose

# **Rotating Presidency of the Central American Integration System**

#### **Report Categories:**

**Agricultural Situation** 

**Approved By:** 

JUSTINA TORRY

**Prepared By:** 

JENNA FLESHER

#### **Report Highlights:**

Currently, the President Pro Tempore of the Central American Integration System (SICA) is President Ricardo Martinelli of Panama. The presidency is set to rotate every six months among the Presidents of member nations. Panama assumed the SICA presidency in January of 2010

President Martinelli's goals for Panama will most likely be reflected throughout Central America as President of SICA. President Martinelli, a former supermarket chain owner, is both economically and politically inclined. He is aiming to further integrate Panama into the region, which has a common market. His goals for Panama will most likely be reflected throughout Central America as well. President Martinelli focuses on alleviating the financial crisis by making Panama more attractive to foreign investment. This includes improving infrastructure and providing tax incentives for foreign investors. President Martinelli hopes that Panama will be able to serve as an example in the banking and investment sectors for struggling countries in the region.

From June 28 to 30, 2010 Panama will be hosting the Third SICA Summit of Heads of State and Government, in Panama City. As the SICA Pro Tempore President, Ricardo Martinelli will be the Chairman of the Summit. The South Korean President Lee Myung-Bak and Italian Prime Minister Silvio Berlusconi will participate at the SICA Summit.

#### **Background**

SICA's purpose is to provide a juridical-political framework for a comprehensive development approach for the region by promoting peace, freedom, democracy and development within Central America and Panama. SICA is comprised of seven members: Belize, El Salvador, Honduras, Nicaragua, Guatemala, Costa Rica and Panama.

In 1991, the Organization of Central American States (ODECA) signed the Protocol of Tegucigalpa, which pursued regional peace, political freedom, democracy and economic development. SICA was founded in 1993 with headquarters of the General Secretariat located in El Salvador. SICA's main objective is to be the economic, cultural and political organization of Central America. Founding member countries were Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica and Panama. Belize joined in 2000. Integration efforts incorporate economic, social, cultural, political and ecological areas.

### General Information: General Information

In defining SICA's framework and goals, many aspects were taken into consideration. Primarily, SICA members wanted to avoid another failed attempt at integration. When identifying the objective of SICA, consideration was given to past attempts for regional integration, historical political crisis, former conflict and dictatorial rule, internal constitutional transformations and democratic regimes of all members.

The United Nations General Assembly is a supporter of SICA. The Tegucigalpa Protocol, the foundation for SICA framework, is duly registered with the United Nations. Because the protocol is internationally invoked, SICA's bodies and institutions have the ability to interact with the United Nations. Furthermore, SICA maintains a standing invitation to observe the United Nations General Assembly Sessions and to possess offices at the United Nations Headquarters.

The SICA pro tempore presidency is rotated every six months. There is not a precise schedule to be followed. The next pro tempore president is selected and approved by the other member states of SICA. Usually, the presidency is passed to a member that has not held the position in recent years. However, a country may be by-passed in the rotation, as in the case of Costa Rica. In July of 2009, President Daniel Ortega of Nicaragua opted to hand the SICA presidency to Guatemalan President Álavar Colom instead of Costa Rican President Oscar Arias. President Ortega is alleged to have disagreed with what he considered as protectionist tendencies and reluctance towards regional integration of the Costa Rican government.

Recently held presidencies of SICA:

January 2007 – Belize July 2007 – Guatemala January 2008 – El Salvador July 2008 – Honduras January 2009 – Nicaragua July 2009 – Guatemala January 2010 – Panama July 2010 - Belize

<sup>\*</sup> Information extracted from various media sources.