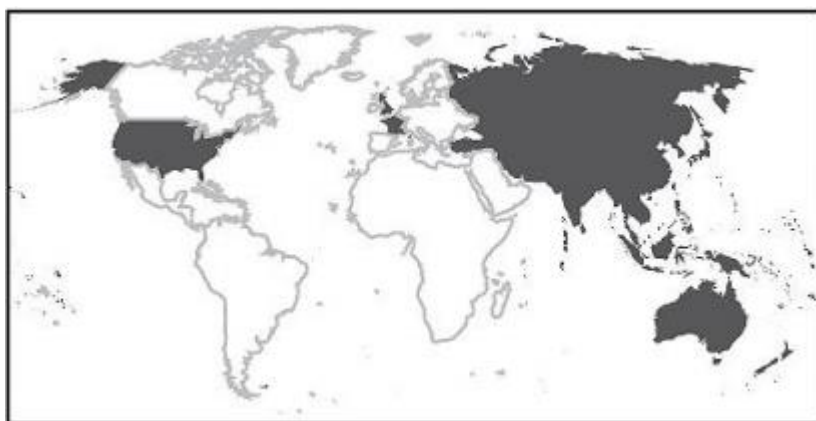


# Bolstering East Asian-Latin American value chains through digitally deliverable services



The Economic and Social Commission for Asia and the Pacific (ESCAP) serves as the United Nations’ regional hub promoting cooperation among countries to achieve inclusive and sustainable development. The largest regional intergovernmental platform with 53 member States and 9 associate members, ESCAP has emerged as a strong regional think-tank offering countries sound analytical products that shed insight into the evolving economic, social and environmental dynamics of the region. The Commission’s strategic focus is to deliver on the 2030 Agenda for Sustainable Development, which it does by reinforcing and deepening regional cooperation and integration to advance connectivity, financial cooperation and market integration. ESCAP’s research and analysis coupled with its policy advisory services, capacity building and technical assistance to governments aims to support countries’ sustainable and inclusive development ambitions. The shaded areas of the map are ESCAP members and associate members.



Copyright © United Nations 2021

All rights reserved

The report is available at: <https://www.unescap.org/kp/2021/bolstering-east-asian-latin-american-value-chains-through-digitally-deliverable-services>

**Disclaimers:**

The designation employed and the presentation of the material in the Report do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The United Nations bears no responsibility for the availability or functionality of URLs. Opinion, figures and estimates set forth in this publication are the responsibility of the authors and should not necessarily be considered as reflecting the views or carrying the endorsement of the United Nations. Any errors are the responsibility of the authors. Mention of firm names and commercial products does not imply the endorsement of the United Nations.

The report has been issued without formal editing

# **Bolstering East Asian-Latin American value chains through digitally deliverable services**

Kati Suominen

FEALAC funded project

Value chain development for deeper integration of East Asia and Latin  
America

## **Abstract**

The liberalization by Asian and Latin American economies of their trade regimes has seen digitalization becoming increasingly important for export competitiveness and productivity growth. This report has tracked the growth and sources of digitally deliverable services in Latin American and Asian manufacturing, agricultural and services value chains. It shows that digitally deliverable services play a growing role in export-driven production in the FEALAC region, but most of them are supplied by domestic service providers. However, there was the fast growth in Latin American-Asian digitally deliverable services trade in the past 15 years. Some “hidden complementarities” in digitally deliverable services between Latin America and Asia seems to exist. On one hand, Latin American firms are increasingly using Chinese financial services. In addition, they are drawing on sophisticated IT services and services using disruptive technologies such as blockchain and AI from Japan, the Republic of Korea, Singapore and the Philippines. On the other hand, Brazil, Chile, Costa Rica and Colombia are emerging as exporters of digitally deliverable services such as gaming, animation and e-commerce. Brazil, in particular, has become a source for Agtech applications.

As the business ecosystems in Asia and Latin America become more digitized and produce new digital services, there will be greater opportunities to also expand bilateral digitally deliverable services trade. For example, there are excellent opportunities for promoting cooperation and forums for Asian and Latin American companies to learn more about Latin American and Asian fintechs, logtechs, agtechs and creative industries such as animation, and vice versa. FEALAC members can also develop new initiatives that catalyse productivity and digitally deliverable services trade, such as smart manufacturing test beds, smart city forums as well as a FEALAC blue economy initiative and fund. To further incorporate high-value-adding, digitally deliverable services into their manufacturing, agriculture and other sectors, Asia and Latin America must uphold commitments to duty-free electronic transmissions and the free transfer of data across borders.

## Table of contents

<b>1. Introduction .....</b>	<b>1</b>
<b>2. How services create new value across industries .....</b>	<b>2</b>
Use of digitally deliverable services in production among FEALAC regional firms..	4
<b>3. Digitally deliverable services in Latin American and East Asian value chains .....</b>	<b>8</b>
3.1 Growth of digitally deliverable services in Latin American and East Asian services trade.....	8
3.2 Sources and types of digitally deliverable services in Asian and Latin American services exports and imports .....	14
3.3 Friction in Asia-Latin America interregional trade in digitally deliverable services .....	37
<b>4. Harnessing emerging opportunities for digitally deliverable services in Asian-Latin American value chains .....</b>	<b>41</b>
4.1 Broader transformations in bi-regional Asia-Latin America value chains .....	45
4.2 Actions to promote use of digitally deliverable services in bi-regional value chains.....	47
<b>5. Conclusion and future research .....</b>	<b>49</b>
<b>List of references.....</b>	<b>52</b>
<b>Appendices .....</b>	<b>62</b>

## **List of tables**

Table 1: Examples of digitally deliverable services sourced and developed by Asian and Latin American businesses.....	6
Table 2: Relevance of Asian agricultural, manufacturing, and services exporters as customers to Latin American financial, it and other business service providers (expressed as a percentage of sales to Asian industries out of the total global sales made by Latin.....	20
Table 3: Relevance of Latin American agricultural, manufacturing and services exporters as customers to Asian financial, it and other business service providers (expressed as a percentage of sales to Latin American industries of total global sales made by Asian .....	21
Table 4: Bilateral and plurilateral Trade Agreements between selected Asian and Latin American economies (agreements notified to the WTO) .....	39
Table 5: Differences across digital trade regulations among Asian and Latin American economies* .....	40

## **List of figures**

Figure 1: Growth of global imports of services and digitally deliverable services, .....	4
Figure 2: Digitally deliverable services exports and imports in selected Asian and Latin American Economies, 2018.....	9
Figure 3: Share of digitally deliverable services exports in selected Asian and Latin American economies' services exports, 2005/06 and 2017/18.....	10
Figure 4: Share of digitally deliverable services imports in selected Asian and Latin American economies' services exports and imports, 2005/06 and 2017/18 .....	11

Figure 5: Composition of digitally deliverable services exports and imports in selected Asian and Latin American economies, 2007/08 and 2017/18.....	12
Figure 6: Digitally deliverable services in value chains.....	15
Figure 7: Share of digitally deliverable services as value-added in East and South-East Asian, Latin American and OECD region agricultural, manufacturing and services exports in 2015, by type of service and exporter region .....	16
Figure 8: Main sources of digitally deliverable information and communications, financial and other business services incorporated into Asian agricultural, manufacturing and services exports, 2005 and 2015 .....	17
Figure 9: Main sources of digitally deliverable information and communications, financial and other business services incorporated into Latin American agricultural, manufacturing and services exports, 2005 and 2015.....	19
Figure 10: Growth of selected source economies in digitally deliverable services incorporated into Asian agricultural, manufacturing and services exports in 2014/15, by source country, growth from 2005/06 to 2014/15, and volume in 2014/15 .....	22
Figure 11: Growth of selected source economies in digitally deliverable services incorporated into Latin American agricultural, manufacturing and services exports in 2014/15, by source country, growth and volume.....	23
Figure 12: Main sources of digitally deliverable services imports incorporated into Asian agricultural, manufacturing and services exports in 2015, by type of digitally deliverable service and source economy.....	24
Figure 13: Latin American sources of digitally deliverable services incorporated into Asian agricultural exports by Asian exporting economies and Latin American source economies, 2015 .....	25

Figure 14: Latin American sources of digitally deliverable services incorporated into Asian manufacturing exports in 2015, by Asian exporting economy and Latin American source economy .....	26
Figure 15: Latin American sources of digitally deliverable services incorporated into Asian services exports in 2015, by Asian exporting economy and Latin American source economy .....	26
Figure 16: Main sources of digitally deliverable services imports incorporated into Latin American agricultural, manufacturing and services exports in 2015, by type of digitally deliverable service and source economy.....	31
Figure 17: Asian sources of digitally deliverable services incorporated into Latin American agricultural exports, 2015 .....	33
Figure 18: Asian sources of digitally deliverable services incorporated into Latin American manufacturing exports, 2015 .....	34
Figure 19: Asian sources of digitally deliverable services incorporated into Latin American services exports, 2015 .....	34
Figure 20: Restrictiveness of digitally deliverable services in selected Asian and Latin American economies .....	38
Appendix figure 1: Composition of digitally deliverable services exports in selected Asian economies, 2007-2018 .....	62

预览已结束，完整报告链接和二维码如下：

[https://www.yunbaogao.cn/report/index/report?reportId=5\\_446](https://www.yunbaogao.cn/report/index/report?reportId=5_446)

