

#### **4. VENEZUELA AND THE LATIN AMERICAN SYSTEM.**

Venezuela is member of the Sistema Económico Latinoamericano, - Latin American Economy System - (SELA), and is also part of the Andean Sub-Regional Pact, two organizations that are in the process of creating an integrated Latin American market. Therefore, some economic activities are ruled by both systems. Venezuela is also new member of an international trade organization known as the GATT, which regulates the world current exports and imports policies.

Venezuelan imports legal requirements for seafood products are detailed in Chapter 7.

#### **5. INFRASTRUCTURE AND OTHER FACILITIES IN VENEZUELA**

Venezuela's trading, roads, communications and marketing infrastructure are appropriate for any activity oriented towards imports and/or exports of products. The country has two special duty free areas, which are located in Nueva Esparta State (Margarita Island) and in the Paraguana Peninsula, in Falcon State. All fish exports in these areas are duty free but have to comply with the heald legal requirements listed in Chapter 7. If these products are reexported to the mainland non-duty free zone, they are subject to custom duties and legal regulations listed in Annex 1. Therefore, it might be a good marketing strategy for a Canadian export to establish a base in a duty free zone and let the Venezuelan importers deal with the custom duties.

#### **6. THE VENEZUELAN MARKET OF SEA PRODUCTS**

As indicated above, the Venezuelan market was submitted to extremely severe imports policies for fish products, always in order to protect the local industry and to encourage the local market through subsidies and other protectionist measures. However, after the second half of 1990, these policies were abolished and the country joins the open market practice in relation to imports of this kind of products, implementing a new commercial strategy and adapting its trade patterns to the regulations established by GATT. This is the reason why the statistical behavior of imports, regarding volume and products, is irregular and it would not be reliable to use such data to make any kind of forecasts to predict the behavior of imports in the near future. It is worth noting that only during the second half of 1990 there were more imports than during the last three years together, and there are not serious elements to think that this increasing curve may be altered. To serve this analysis, Chart 01 "Imports 1987-1990" illustrates the above-mentioned statement.

The figures of imports during 1987, 1988, 1989 and 1990 show that the Venezuelan market is going through an expansion phase, therefore, it is convenient for exporting countries and companies to implement a market policy in accordance with this pattern.