

EDITORIAL

Differentiated Tariffs and Their Impact on the Economies of the Andean Community of Nations

Aranceles diferenciados y su efecto en las economías de la Comunidad Andina de Naciones

Roberto Arpi Mayta *

Universidad Nacional del Altiplano, Puno-Perú; ORCID: 0000-0002-0585-2064

*Correspondencia al correo: rarpi@unap.edu.pe

(Recibido January 02, 2025; aceptado March 25, 2025)

Resumen

In recent years, the reintroduction of differentiated tariffs has transformed the landscape of international trade, disrupting global value chains and significantly impacting regions such as the Andean Community of Nations (CAN). This editorial article reflects on how these tariff policies have undermined the competitiveness of traditional Andean exports, increased the costs associated with foreign trade, and exacerbated both economic and social vulnerabilities in the member countries. Recent data shows evidence of a slowdown in regional growth and a contraction of employment in key trade sectors. In response, it is proposed that the CAN's ability to adapt to this volatile environment depends on the strengthening of its collective strategies: smart diversification of markets, consolidation of regional value chains, updating of trade agreements, and modernization of its logistical and digital infrastructure. In sum, the text calls for an urgent reflection on the need for a more dynamic and resilient regional integration, which would enable the region to face the challenges of an increasingly fragmented global trade system with greater robustness.

Palabras clave: *Aranceles diferenciados, comercio internacional, integración económica regional y diversificación comercial*

Abstract

En los últimos años, la reintroducción de aranceles diferenciados ha transformado el panorama del comercio internacional, generando una ruptura en las cadenas globales de valor y afectando de manera significativa a regiones como la Comunidad Andina de Naciones (CAN). En este artículo editorial se reflexiona sobre cómo estas políticas arancelarias han mermado la competitividad de exportaciones tradicionales andinas, elevado los costos asociados al comercio exterior y acentuado fragilidades tanto económicas como sociales en los países miembros. A partir de datos recientes, se evidencia una desaceleración en el crecimiento regional y una contracción del empleo en sectores clave del comercio. En respuesta, se plantea que la capacidad de adaptación de la CAN frente a este entorno volátil depende del fortalecimiento de sus estrategias colectivas: diversificación inteligente de mercados, consolidación de cadenas de valor regionales, actualización de sus acuerdos comerciales y modernización de su infraestructura logística y digital. En suma, el texto invita a una reflexión urgente sobre la necesidad de una integración regional más dinámica y resiliente, que permita afrontar con solidez los desafíos de un sistema comercial global cada vez más fragmentado.

Keywords: *Differentiated Tariffs, International Trade, Regional Economic Integration and Trade Diversification*

1. Introduction

In recent years, international trade has witnessed a resurgence of protectionist measures, among which differentiated tariffs stand out in particular. This practice, which consists of applying different tariff rates to similar products depending on their country of origin or production conditions, has led to increasing fragmentation of global value chains and has heightened uncertainty for emerging economies (World Trade Organization [WTO], 2024).

Within this context, the countries that comprise the Andean Community of Nations (CAN)—Bolivia, Colombia, Ecuador, and Peru—face significant challenges both in terms of their internal cohesion and their relationship with the global market. According to the International Monetary Fund (IMF, 2025), Latin America is expected to experience a slowdown in average economic growth to 2.2 percent in 2025, largely due to new trade barriers affecting agricultural, mining, and industrial exports.

The World Bank (2024) reports that differentiated tariffs have increased average export costs by 12 percent for lower-middle-income economies, such as those in the Andean region, directly affecting their capacity to compete in international markets. Meanwhile, the Economic Commission for Latin America and the Caribbean (ECLAC, 2024) warns that the new trade environment could result in reduced foreign investment, exchange rate volatility, and job losses in key sectors.

In light of this new reality, it is imperative to analyze the effects of these tariffs on Andean economies and to design strategies that strengthen their economic resilience, export competitiveness, and regional integration.

2. The Resurgence of Differentiated Tariffs: A Structural Shift

In recent years, differentiated tariffs have reemerged as a strategic instrument within the trade policy of several countries. Although protectionism has long been part of international trade, its recent use is driven by geopolitical tensions, economic rivalries, and new concerns regarding national security. A turning point was the onset of the trade war between the United States and China in 2018, which normalized the implementation of unilateral measures outside the traditional frameworks of the WTO (Bown, 2020).

According to the World Trade Report 2024 by the WTO, between 2020 and 2024, newly introduced tariff measures increased by 30 percent, affecting goods valued at over 1.2 trillion dollars. Industrial, technological, and agricultural sectors have been particularly impacted, leading to further fragmentation of global production chains.

An analysis by Evenett and Fritz (2024) highlights that more than half of manufacturing exports from developing countries now face differentiated trade conditions, which undermines their competitiveness and exacerbates volatility in international markets.

For Latin America, the warnings are particularly concerning. The Inter-American Development Bank (IDB, 2024) asserts that the increasing differentiation in trade rules is especially affecting economies reliant on primary exports, such as those within the Andean Community of Nations (CAN). The loss of certainty, together with rising logistical and regulatory costs, threatens to hinder investment attraction and limit efforts toward productive diversification.

All indications suggest that differentiated tariffs are not an isolated phenomenon but rather a profound shift in the global trade order. For the CAN, adapting to this new dynamic is not optional; it is an essential condition for preserving economic development and international relevance.

3. Impacts on the Economies of the Andean Community

The reemergence of differentiated tariffs is having profound consequences on the economies of the member countries of the Andean Community of Nations (CAN). Beyond global trade frictions, these tariffs have exacerbated preexisting vulnerabilities and disrupted traditional paths of international integration. According to the International Monetary Fund (IMF, 2025), projected growth for the Andean countries has been revised downward, with an expected rate of merely 2.2 percent in 2025, largely due to the weakening of non-traditional exports.

One of the most visible effects is the loss of competitiveness in sectors that have historically driven export performance. Iconic products such as Colombian coffee, Peruvian quinoa, Ecuadorian bananas, and Bolivian natural gas are facing increased barriers to access their main destination markets. According to the International Trade Report by ECLAC (2024), agro-industrial exports from the CAN to the United States and the European Union declined by 8.5 percent in 2024, affected by new tariff barriers and more stringent regulatory requirements.

This is compounded by a sustained increase in logistical costs. The need to comply with multiple standards, specific certifications, and differentiated regulations has raised operational expenses, especially for small and medium-sized exporting enterprises (World Bank, 2024). This situation particularly affects rural areas, where export-oriented agricultural activity constitutes a fundamental source of household income.

On the financial front, CAN countries have also faced greater exchange rate volatility. The decline in foreign currency inflows has placed pressure on monetary systems: in Ecuador, the sustainability of dollarization has become more fragile, while in Peru and Colombia, currency fluctuations are affecting domestic price stability (IDB, 2024).

Finally, the social impact of these dynamics must not be underestimated. According to estimates by the Inter-American Development Bank (2025), if current protectionist trends are not reversed, CAN countries could lose up to 280,000 formal jobs over the next two years, mainly concentrated in the agro-industrial and manufacturing sectors.

Taken together, these impacts underscore the need to rethink the CAN's trade strategy in order to confront an increasingly uncertain and competitive international environment.

4. Responses of the Andean Community to the New Protectionism

In the face of the growing fragmentation of global trade and the resurgence of protectionist measures, the Andean Community of Nations (CAN) faces the challenge of redefining its economic integration strategy. As highlighted in the World Bank's Regional Integration Report (2024), regional blocs that succeed in diversifying their markets, strengthening their internal productive capacities, and acting in a coordinated manner will have better prospects for adapting to new global scenarios.

A critical priority is advancing the diversification of markets and products. For years, Andean countries have concentrated a large portion of their exports in traditional destinations such as the United States and the European Union. However, new opportunities are emerging in regions such as Asia-Pacific and Africa, where South-South trade has exhibited growth rates exceeding 6 percent annually since 2020 (World Trade Organization [WTO], 2024). To seize these opportunities, it is essential to intensify participation in multilateral agreements and explore strategic bilateral partnerships.

Likewise, strengthening productive integration within the region has become imperative. Currently, only 11 percent of CAN exports are directed to its own members, a figure significantly lower than that of other blocs such as the European Union (Economic Commission for Latin America and the Caribbean [ECLAC], 2024). Enhancing regional value chains would not only reduce external dependency but also bolster resilience against external shocks.

Another key line of action is the modernization of trade agreements. Beyond signing new treaties, it is essential to update existing ones to incorporate flexibility clauses, joint trade defense mechanisms, and rapid response protocols to discriminatory barriers. In this regard, the Inter-American Development Bank (IDB, 2025) suggests the creation of a Regional Observatory of Trade Barriers to enable more effective reactions to unfair practices.

The promotion of logistical and digital infrastructure must also be a central component of the agenda. Improving physical connectivity—through multimodal corridors and logistics platforms—and strengthening digital infrastructure—electronic certifications, traceability systems, commercial intelligence tools—are indispensable for maintaining competitiveness in the new context (World Bank, 2024).

Finally, a determined effort toward regulatory harmonization among Andean countries would help simplify procedures, reduce compliance costs, and present a stronger and more homogeneous export offer to external markets (WTO, 2024).

In sum, the new global protectionism demands an integral strategic response from the CAN: to diversify, integrate, modernize, and connect in order to build a resilient and sustainable path to international insertion.

5. Conclusions

The intensification of protectionism, manifested through differentiated tariffs, presents profound challenges for the economies of the Andean Community of Nations (CAN). Rather than a temporary phenomenon, this represents a structural transformation of international trade that demands immediate strategic responses.

As warned by the International Monetary Fund (2025), emerging countries that fail to adapt their strategies risk facing economic stagnation, increased pressure on their trade balances, and a deterioration of their social conditions. For the Andean countries, the effects are already evident in reduced international integration, financial volatility, and job losses in strategic export sectors.

The World Trade Organization (2024) emphasizes that, in this context, only regions that commit to market diversification, the strengthening of internal capacities, and the renewal of regional integration will be able to mitigate adverse impacts and sustain long-term growth.

As Hausmann (2024) rightly states, in a fragmented global trade environment, international integration cannot rely on inertia or the goodwill of trade partners; it requires a deliberate, intelligent, and structurally sound strategy.

For the Andean Community of Nations, passivity is no longer an option. It is imperative to build a modern, resilient, and proactive integration agenda that enables the region to confront new challenges with renewed instruments and a long-term vision. Only in this way will it be possible to safeguard economic stability, preserve the social progress achieved, and position the Andean countries as relevant actors in the complex global landscape currently taking shape.

6. Contribución de Autoría

Roberto Arpi Mayta: [Conceptualización, investigación, redacción – borrador, escritura, revisión y edición.](#)

Fuente de financiamiento

Autofinanciado.

Conflicto de intereses

El autor declara no tener conflicto de intereses.

Referencias

- Banco Interamericano de Desarrollo. (2024). *La nueva configuración del comercio internacional: Desafíos para América Latina y el Caribe*. BID. <https://www.iadb.org>
- Banco Interamericano de Desarrollo. (2025). *Impactos de las fricciones comerciales globales en las economías andinas*. BID. <https://www.iadb.org>
- Banco Interamericano de Desarrollo. (2025). *Hacia una nueva agenda comercial para América Latina: Diagnóstico y propuestas*. BID. <https://www.iadb.org>
- Banco Mundial. (2024). *Regional Integration to Overcome Trade Fragmentation*. Banco Mundial. <https://www.worldbank.org>
- Banco Mundial. (2024). *Costos logísticos y barreras técnicas en América Latina*. Banco Mundial. <https://www.worldbank.org>
- Bown, C. P. (2020). *The 2018 US-China Trade Conflict After 18 Months: Tariffs and Uncertainty*. Peterson Institute for International Economics Working Paper. <https://www.piie.com/publications/working-papers/2018-us-china-trade-conflict>
- Comisión Económica para América Latina y el Caribe. (2024). *Panorama de la Integración Regional 2024*. CEPAL. <https://www.cepal.org>
- Comisión Económica para América Latina y el Caribe. (2024). *Perspectivas Económicas de América Latina 2024: Retos para la Integración Regional*. Naciones Unidas. <https://www.cepal.org>
- Comisión Económica para América Latina y el Caribe. (2024). *Informe sobre el Comercio Internacional de América Latina y el Caribe 2024*. CEPAL. <https://www.cepal.org>
- Evenett, S. J., & Fritz, J. (2024). *Protectionism in Practice: The Global Trade Policy Response to Uncertainty*. Global Trade Alert Report. <https://www.globaltradealert.org>
- Fondo Monetario Internacional. (2025). *World Economic Outlook: A Critical Juncture Amid Policy Shifts (2025)*. Fondo Monetario Internacional. <https://www.imf.org>
- Fondo Monetario Internacional. (2025). *World Economic Outlook: A Critical Juncture Amid Policy Shifts (abril 2025)*. Fondo Monetario Internacional. <https://www.imf.org>
- Hausmann, R. (2024). *Reimagining Economic Integration in an Era of Trade Fragmentation*. Harvard University Press.
- Organización Mundial del Comercio. (2024). *World Trade Report 2024: New Frontiers in Global Trade*. OMC. <https://www.wto.org>
- Organización Mundial del Comercio. (2024). *Informe sobre el Comercio Mundial 2024: Tensiones y Reconfiguraciones Comerciales*. Organización Mundial del Comercio. <https://www.wto.org>
- Organización Mundial del Comercio. (2024). *World Trade Report 2024: Rethinking Global Value Chains*. WTO Publications. <https://www.wto.org>