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SUMMIT OF THE AMERICAS

Second Ministerial Trade Meeting

Communication from Colombia

The following communication, dated 11 April 1996, has been received from the Permanent Mission of Colombia.

I have great pleasure in sending you herewith the Joint Declaration of the Second Ministerial Trade Meeting, held in Cartagena, Colombia, at the end of March. The Meeting was attended by the Ministers responsible for foreign trade policy of the 34 countries that took part in the Summit of the Americas.

I should be obliged if this document could be circulated to WTO Members as an information document.

SUMMIT OF THE AMERICAS

Second Ministerial Trade Meeting

Cartagena, Colombia

21 March 1996

Joint Declaration

Introduction

1. We, the Ministers responsible for trade, representing the 34 nations that participated in the Summit of the Americas, met in Cartagena for the Second Trade Ministerial Meeting, according to the mandate issued by our Heads of State and Government during the Summit of the Americas, held in Miami. We continued the work programme, to which we unanimously agreed at the First Trade Ministerial Meeting in Denver, to prepare for initiation of negotiations on the Free Trade Area of the Americas (FTAA). We strengthened our commitment to conclude negotiations no later than 2005, and to make concrete progress towards the attainment of this objective by the end of this century.

2. The principles previously adopted for constructing the FTAA include: maximizing market openness through high levels of discipline as we build upon existing agreements in the Hemisphere; full consistency with the provisions of the World Trade Organization (WTO); be balanced and comprehensive in scope, covering among others, all areas included in the Summit of the Americas Plan of Action; not raise barriers to other countries and represent a single undertaking comprising mutual rights and obligations.

3. We examined approaches for constructing the FTAA which will build on existing subregional and bilateral arrangements in order to broaden and deepen Hemispheric economic integration and to bring the agreements together. The approaches are varied and complex and must include consistency with Article XXIV of GATT 1994 and its Uruguay Round Understanding and Article V of the GATS. We instruct our Vice-Ministers to discuss such approaches and to make specific recommendations, before the 1997 Trade Ministerial Meeting.

4. We also considered the timing and means of launching negotiations to establish the FTAA. We agreed that substantial and additional preparatory work is necessary for productive negotiations. We also agreed that concrete progress must be achieved by the end of the century. Taking this into account as well as the progress achieved in the working groups, we direct our Vice-Ministers to make an assessment of when and how to launch the FTAA negotiations and to make recommendations to us on these issues before the 1997 Trade Ministerial Meeting.

5. We reiterate our commitment to actively continue seeking ways to provide opportunities to facilitate integration of the smaller economies and increase their levels of development. We call upon all working groups in their deliberations to take into account this commitment as well as specific suggestions of the Working Group on Smaller Economies. Acknowledging the differences in levels of economic development among countries in the Hemisphere, we recognize the need for technical assistance in order to facilitate the full participation of the smaller economies in the entire process leading to the FTAA.

Working groups

6. In light of the decisions taken at the Miami Summit and at the Denver Trade Ministerial Meeting and in the process of continuing preparations for negotiations, we received the reports from the chairpersons of the seven working groups established in Denver as well as the working groups' specific

recommendations for subsequent action. On the basis of each group's report, we are convinced that substantial progress on preparing for negotiations has been achieved and that the initial work programme is well under way.

We take note of the work programmes proposed by the seven existing working groups and direct them to carry out the tasks identified, with a view to presenting conclusions and recommendations for our consideration in 1997. To facilitate achieving this objective, we ask that chairpersons of all working groups, in consultation with all participating countries, arrange to meet to coordinate the work so as to: avoid duplication of effort, while at the same time ensuring that there are no gaps in their preparatory work, as well as to ensure the most effective use of available resources, including those of the Tripartite Committee. In order to promote the participation of all countries in all aspects of the preparatory work, chairpersons of working groups should endeavour to coordinate the scheduling and venues of the meeting of the working groups, ensuring that best efforts be made to limit the dispersion of venues of the working groups.

7. We direct Vice-Ministers to direct, evaluate and coordinate the work of all working groups, so as to ensure significant progress in advance of our 1997 meeting. To this end, Vice-Ministers should meet on at least three occasions in advance of our next meeting. We ask the host of the 1997 Trade Ministerial Meeting to chair these meetings.

8. We thank the chairpersons for the work they have done during their tenure between the Denver Trade Ministerial and the Cartagena Trade Ministerial Meetings. We also thank the countries for their collaboration in gathering information and their proposals for future work.

9. To comply with the commitments that we acquired in Denver, we are establishing additional working groups in the following areas: Government Procurement, Intellectual Property Rights, Services and Competition Policy. We are providing overall guidance, including individual terms of reference for each of these new groups (Annex I). At the same time, we agreed to establish a Working Group and the terms of reference for dispute settlement procedures at the Third Trade Ministerial Meeting. We request the OAS to start compiling information on the dispute settlement mechanisms being used in bilateral and subregional trade agreements in the Hemisphere.

10. We approved the list of countries that were nominated to chair the 11 working groups (Annex II). These countries are responsible, until the next Trade Ministerial Meeting, for coordinating the schedule of meetings, in consultation with representatives of member countries, and for ensuring that all terms of reference are achieved.

11. Each working group should identify and examine trade-related measures in its respective area, in order to determine possible approaches to negotiations. We direct each of the working groups to submit to Vice-Ministers, for their approval, concrete proposals on areas for immediate attention in advance of the 1997 Trade Ministerial Meeting, within the agreed mandate. At the Third Trade Ministerial Meeting, we will receive reports and decide on subsequent steps to be taken in each area. Today we agree on the immediate actions in the areas listed in Annex III.

12. We recognize and appreciate the important analytical and technical work done by the Tripartite Committee in support of existing working groups as well as the contributions from other specialized regional, subregional and multilateral organizations. We ask that the Tripartite Committee continue to provide such analytical support, technical assistance and relevant studies, as may be requested by the working groups. In support of this work, we encourage further contributions, within their areas of expertise, from relevant regional and subregional institutions as may be requested by the working groups.

Other reports and contributions to economic integration

13. In accordance with the Summit of the Americas' Plan of Action, we noted the significant developments that have been taking place in the various trade and investment fora in the Hemisphere.

14. The Chairman of the Special Committee on Trade (SCT) of the OAS reported on the progress achieved on the tasks assigned to the SCT by Leaders at the Miami Summit. We thanked the SCT for its preliminary version of the Analytical Compendium of Trade and Integration Accords in the Hemisphere. This Compendium will be regularly updated in order to ensure that it remains complete, accurate and up-to-date. We agree that the Compendium is an important instrument for the understanding and comparison of regional trade agreements and therefore urged the OAS to publish the Compendium once the final version has been approved. We also thanked the IDB for its report to the SCT on "Rules of Origin in Preferential Trade Agreements in the Americas", which has been forwarded to the FTAA Working Group on Customs Procedures and Rules of Origin for their consideration.

15. We received with great interest the conclusions the business sector reached regarding the 13 topics developed at the Americas Business Forum. We recognize the importance of the role of the private sector and its participation in the FTAA process. We have also agreed on the importance of Governments consulting their private sectors in preparation for the Trade Ministerial Meeting to be held in 1997. We reaffirm our commitment to transparency in the FTAA process. We direct our Vice-Ministers to consider appropriate processes to address the protection of the environment. After having received the report of the Committee that will be presented at the WTO Ministerial Meeting in Singapore, we will consider creating a study group on this issue based upon recommendations from our Vice-Ministers. To this end, we and our Vice-Ministers will consider how to proceed in the construction of the FTAA in this area. We received with appreciation the Declaration of the Tenth Inter-American Conference of Ministers of Labour. We recognize the importance of the further observance and promotion of worker rights and the need to consider appropriate processes in this area, through our respective governments. We will keep this matter under consideration and have asked our Vice-Ministers to keep us informed.

Other matters

Future ministerial meetings

16. In view of the mandate of our Heads of State and Government, and in accordance with the decisions adopted at the Denver Meeting, we agree to hold the Third Ministerial and the Business Forum Meetings in the second quarter of 1997. We accept, with appreciation, the invitation of the Government of Brazil to host these meetings. The Fourth Trade Ministerial and Business Forum Meetings are to be held in 1998 in Costa Rica.

ANNEX I

Action plan for new working groups

I. The Working Group on Government Procurement will:

1. Collect, systematize and create an inventory of the legislation, regulations and procedures in the countries of the Hemisphere regarding government procurement, starting at the central government level, including, among others, State-owned enterprises. On the basis of that inventory, undertake a study of barriers to access to procurement by the public sector.
2. Create an inventory and analysis of regulations on government procurement included in integration schemes and other existing agreements to which countries in the Hemisphere are signatories.
3. Compile available data on purchases of goods and services by central governments, including, among others, State-owned enterprises, in the Hemisphere.
4. Identify areas of commonality and divergence among government procurement systems in countries of the Hemisphere.
5. Recommend methods to promote understanding of the WTO Government Procurement Agreement.
6. Recommend methods to promote transparency in government procurement.
7. Make specific recommendations on how to proceed in the construction of the FTAA in this area.

II. The Working Group on Intellectual Property Rights will:

1. Create an inventory of the intellectual property agreements, treaties and arrangements that exist in the Hemisphere, including all international conventions to which countries are parties.
2. Compile, in the most efficient manner, an inventory of intellectual property protection laws, regulations and enforcement measures in the Hemisphere and, on the basis of this information, identify areas of commonality and divergence.
3. Recommend methods to promote the understanding and effective implementation of the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).
4. Identify possible areas for technical assistance, which countries may request, involving both the administration and enforcement of intellectual property rights.
5. Analyse the implications of emerging technologies for intellectual property rights protection in the FTAA.
6. Make specific recommendations on how to proceed in the construction of the FTAA in this area.

III. The Working Group on Trade on Services will:

1. Undertake conceptual background work on the nature of trade in services, including the relationship to other working groups, including Investment.
2. Compile a comprehensive inventory of agreements, accords and other arrangements covering trade in services in the Hemisphere and determine areas of commonality and divergence.
3. Create a comprehensive inventory of measures affecting trade in services within the Hemisphere and identify steps to enhance transparency and facilitate trade.
4. Create a statistical database of trade flows in services in the Hemisphere.
5. Recommend methods to promote understanding and effective implementation of the WTO General Agreement on Trade in Services (GATS), including technical assistance.
6. Make specific recommendations on how to proceed in the construction of the FTAA in this area.

IV. The Working Group on Competition Policy will:

1. Promote understanding of the objectives and operation of competition policy.
2. Compile an inventory of domestic laws and regulations that exist in the Hemisphere that deal with anti-competition conduct and, on the basis of that information, identify areas of commonality and divergence.
3. Create an inventory of the competition policy agreements, treaties and arrangements existing in the Hemisphere.
4. Identify cooperation mechanisms among governments in the Hemisphere aiming at ensuring the effective implementation of competition policy laws.
5. Recommend ways to assist members to establish or improve their domestic competition policy regimes, as they may request.
6. Exchange views on the application and operation of competition policy regimes in the countries of the Hemisphere and their relationship to trade in a free-trade area.
7. Make specific recommendations on how to proceed in the construction of the FTAA in this area.

ANNEX II

Chairs of the Working Groups

We have agreed that the following countries will assume the chairs of each of the respective working groups until the next Trade Ministerial Meeting.

Working Group

Country

Market Access

El Salvador

Customs Procedures and Rules of Origin

Bolivia

Investment

Costa Rica

Standards and Technical Barriers to Trade

Canada

Sanitary and Phytosanitary Measures

Mexico

Subsidies, "Anti-Dumping" and Countervailing Duties

Argentina

Smaller Economies

Jamaica

Government Procurement

United States

Intellectual Property Rights

Honduras

Services

Chile

Competition Policy

Peru

ANNEX III

Progress Reports from the Working Groups Created in Denver and Recommendations for Future Work

In addition to the guidance provided elsewhere in this document, we request that the relevant working groups implement the following areas for immediate action:

Market Access

- Keep databases current; make them public, once their contents have been approved by governments.

Customs Procedures and Rules of Origin

- Develop and improve the complete inventory of customs procedures in the Hemisphere and publish the Customs Procedures Manual for its use by the private sector;
- Make recommendations on promoting electronic filing of customs documentation.

Investment

- Publish a guidebook on investment regimes in the Hemisphere;
- Promote accession to existing arbitral conventions;
- Publish the inventory of investment agreement and treaties in the region.

Standards and Technical Barriers to Trade

- Prepare an inventory of standards and related measures;
- Develop proposals on mutual accreditation of testing facilities.

Sanitary and Phytosanitary Measures

- Develop proposals on ways to promote the recognition of sanitary and phytosanitary certificates among countries in the Hemisphere.

Subsidies, Anti-Dumping and Countervailing Duties

- Release the compendium of the Hemispheric trade laws and procedures being compiled by the OAS.

Smaller Economies

- Make recommendations on measures, including technical assistance, to facilitate the integration of smaller economies into the FTAA.

Expansion of Terms of Reference

Working Group on Subsidies, Anti-Dumping and Countervailing Duties

- We take note of the “Report and Recommendations of the Working Group on Subsidies, Anti-dumping, and Countervailing Duties”, and urge the Working Group to identify other practices that can be shown to have trade-distorting effects on agricultural trade in or with the hemisphere, with an aim to make specific recommendations on the subject.