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FTAA - TRADE NEGOTIATIONS COMMITTEE

DOCUMENT FROM THE CO-CHAIRS

DRAFT MIAMI MINISTERIAL DECLARATION

*FREE TRADE AREA OF THE AMERICAS
EIGHTH MINISTERIAL MEETING
MIAMI, USA*

November 20 – 21, 2003

MINISTERIAL DECLARATION

INTRODUCTION

1. We, the Ministers Responsible for Trade in the Hemisphere, representing the 34 countries participating in the negotiations of the Free Trade Area of the Americas (FTAA) held our Eighth Ministerial Meeting in Miami, United States of America, on November 20-21, 2003, in order to provide guidance for the final phase of the FTAA negotiations.

[2. We recognize the significant contribution that economic integration, including the FTAA, will make to the attainment of the objectives established in the Summit of the Americas process: strengthening democracy, creating prosperity and realizing human potential. We reiterate that the negotiation of the FTAA will continue to take into account the broad social and economic agenda contained in the Miami, Santiago and Quebec City Declarations and Plans of Action with a view to contributing to raising living standards, increasing employment, improving the working conditions of all people in the Americas, strengthening social dialogue and social protection, improving the levels of health and education and better protecting the environment.] We reaffirm the need to respect and value cultural diversity as set forth in the 2001 Summit of the Americas Declaration and Plan of Action.

3. We reiterate that the FTAA can co-exist with bilateral and sub-regional agreements, to the extent that the rights and obligations under these agreements are not covered by or go beyond the rights and obligations of the FTAA. We also reaffirm that the FTAA will be consistent with the rules and disciplines of the WTO.

4. Commitments assumed by the countries of the FTAA must be consistent with the principles of the sovereignty of States and the respective constitutional texts.

The Vision of the FTAA

5. We, the Ministers, reaffirm our commitment to the successful conclusion of the FTAA negotiations by January 2005, with the ultimate goal of achieving an area of free trade and regional integration. The Ministers reaffirm their commitment to a comprehensive and balanced FTAA that will most effectively foster economic growth, the reduction of poverty, development, and integration through trade liberalization. Ministers also recognize the need for flexibility to take into account the needs and sensitivities of all FTAA partners.

6. We are mindful that negotiations must aim at a balanced agreement that addresses the issue of differences in the levels of development and size of economies of the hemisphere, through various provisions and mechanisms.

7. Taking into account and acknowledging existing mandates, Ministers recognize that countries may assume different levels of commitments. We will seek to develop a common and balanced set of rights and obligations applicable to all countries. In addition, negotiations should allow for countries that so choose, within the FTAA, to agree to additional obligations and benefits. One possible course of action would be for these countries to conduct plurilateral negotiations within the FTAA to define the obligations in the respective individual areas.

8. We fully expect that this endeavor will result in an appropriate balance of rights and obligations where countries reap the benefits of their respective commitments.

General Instructions

9. The Agreement will include measures in each negotiating discipline, and horizontal measures, as appropriate, that take into account the differences in the levels of development and the size of the economies, and are capable of implementation. Special attention will be given to the needs, economic conditions (including transition costs and possible internal dislocations) and opportunities of smaller economies, to ensure their full participation in the FTAA process.

10. We instruct the TNC to develop a common and balanced set of rights and obligations applicable to all countries. The negotiations on the common set of rights and obligations will include provisions in each of the following negotiating areas: market access; agriculture; services, investment; government procurement; intellectual property; competition policy; subsidies, antidumping, and countervailing duties; and dispute settlement. On a plurilateral basis, interested parties may choose to develop additional liberalization and disciplines. The TNC shall establish procedures for these negotiations that shall, among other things, provide that: countries negotiating additional obligations and benefits within the FTAA shall notify the Co-Chairs of their intention to do so before the outset of the negotiations; and any country not choosing to do so may attend as an observer of those additional negotiations. Observers, by notifying the Co-Chairs, may become participants in these negotiations at any time thereafter. The results of the negotiations must be WTO compliant. These instructions are to be delivered by the TNC to the Negotiating Groups and the Technical Committee on Institutional Issues, no later than the seventeenth meeting of the TNC to enable the negotiations to proceed simultaneously and to be completed according to the schedule.

Guidance on text issues

11. We instruct the TCI to present to the eighteenth TNC meeting its draft text as well as its recommendations on the institutions required to implement the FTAA Agreement, including proposals on the funding mechanisms, the administrative rules and the implications for human resources for the functioning of the institutional structure of the FTAA Agreement.

12. We direct the TCI with due regard to the provisions contained in this Declaration to provide to the TNC, as soon as possible, a proposal on the process for finalizing the agreement. This proposal shall contain, *inter alia*, specific steps, including legal review, translation, verification and authentication, necessary to finalize the text of the agreement, as well as the process and timetable for the completion of those steps.

Guidance on market access negotiations

13. We instruct that the negotiations on market access be conducted at a pace that will lead to the conclusion of those negotiations by September 30, 2004.

Differences in levels of development and size of economies

14. We acknowledge the differences in the levels of development and size of economies in the hemisphere and the importance of all the countries participating in the FTAA to attain economic growth, improved quality of life for their people, and balanced and sustained social and economic development for all its participants. We therefore reaffirm our commitment to take into account in designing the FTAA, the differences in levels of development and size of economies in the hemisphere to create opportunities for their full participation and increase their level of development. We will establish mechanisms that complement and enhance the measures that address differences in the level of development and size of economies, in particular smaller economies, in order to facilitate the implementation of the Agreement and to maximize the benefits that can be derived from the FTAA. Such measures shall include but not be limited to technical assistance and transitional measures including longer adjustment periods.

15. We take note of the TNC Report on the results of the progress achieved in relation to the treatment of differences in the levels of development and the size of economies in each of the Negotiating Groups, and we instruct these entities to continue their work on this issue. We have made this report available to the public on the official FTAA website. We note with concern that while text negotiations have progressed, proposals aimed at giving expression to treatment of the differences in levels of development and size of economies are bracketed across all the negotiating disciplines. We therefore reiterate our instruction to the TNC and to all the negotiating groups, in particular those undertaking market access negotiations, to translate this principle into specific measures so that they are reflected in the results of the negotiations. We instruct the Consultative Group on Smaller Economies to keep this report up to date, with the support of the Tripartite Committee, and to submit it to us at our next meeting.

16. With a view to providing appropriate follow-up of the activities underway within the Consultative Group on Smaller Economies and in order to achieve the full participation of all countries in the FTAA, we instruct the CGSE to make recommendations to the TNC, at its next meeting and in coordination with the TCI, on the characteristics of a Permanent Committee on the application of the treatment of differences in the level of development and size of economies so that it forms part of the institutional framework of the FTAA.

Hemispheric Cooperation Program

17. We recognize that trade can play a major role in the promotion of economic development and the reduction of poverty. Therefore, we underscore that the commitment of countries to integrate trade into their national development plans, such as Poverty Reduction Strategies, is central to ensuring the role of trade in development and securing increased trade-related assistance in the region.

18. We recognize that smaller and less developed economies will require financial support to assist in the process of adjustment resulting from hemispheric integration. We therefore instruct the CGSE, based on its current work on the subject and with the support of the Tripartite Committee, to present recommendations to the TNC at its eighteenth meeting on financing methods and facilities to address the adjustment needs resulting from the differences in the levels of development and size of the economies of the hemisphere.

19. We welcome the efforts of the Consultative Group on Smaller Economies (CGSE), with the assistance of the Tripartite Committee, to implement the Hemispheric Cooperation Program (HCP). Important steps took place at the Washington, D.C. meeting on October 14 and 15, hosted by the Inter-American Development Bank (IDB), with relevant donor institutions and in the preparation of trade capacity building strategies (TCB) by governments, which were the focus of discussion at the donors' roundtable. These strategies are critical to identifying effective programs and appropriate funding sources. These steps constitute a beginning to the process of enhancing the capacity of the countries that are seeking assistance to complete negotiation of the FTAA Agreement, prepare to implement its terms, and to enhance their capacity to trade, and successfully adapt to integration.

20. Based on the discussions and the TNC Report on progress in the implementation of the HCP and the initial meetings with donors, we encourage the countries, with the help of the Tripartite Committee, to finance the TCB

strategies as appropriate and to organize sub-regional meetings with donors to continue discussions on the TCB strategies. The first sub-regional meetings with donors should be held within four to six months.

21. We reiterate our agreement at Quito that the HCP will respond to the immediate assistance needs for the purpose of strengthening the participation of countries in the negotiations. We note with concern the slow progress in addressing these immediate needs and call on the donor community to urgently provide predictable and multifaceted financial and non-financial support, in particular non-reimbursable financing, for meeting the objectives and capacity-building priorities set out in the national and sub-regional capacity building strategies and action plans under the HCP. In this connection, we welcome the contributions, including non-reimbursable financing, already made.

22. We also instruct the TNC with the support of the CGSE to further develop the HCP by identifying the modalities and procedures for the management and implementation of the HCP once the FTAA negotiations are completed. We instruct the CGSE to report to the TNC throughout the year on progress under the HCP. We have made the TNC Report on the Implementation of the HCP available to the public on the official FTAA website.

Institutional Issues

[23. Recognizing the importance of sustainable development and the observance and promotion of internationally-recognized core labor standards, we direct the Co-Chairs to convene a consultative group on labor and on the environment. This group will discuss and develop options on how to address labor and environment [in the FTAA], taking into account related activities under the Summit of the Americas, and report back to the eighteenth meeting of the TNC for its decision on how to proceed.]

Transparency and the Participation of Civil Society

24. In accordance with our commitment to transparency assumed at the Santiago and Quebec City Summits, we have made the third draft of the chapters of the FTAA Agreement available to the public on the official FTAA website in the four official languages today.

25. We also welcome receipt of the report on Best Practices and Illustrative Examples of Consultations with Civil Society at the National/Regional Level that was prepared by the Committee of Government Representatives on the Participation of Civil Society (SOC) and that highlights best practices for disseminating information to civil society and to increase their participation in the FTAA process. We note the breadth and diversity of the measures and activities that have been undertaken by our various national governments in order to enhance communication with our respective civil societies. In addition, we note that this document is available to the public on the official FTAA Website. Furthermore, we instruct the SOC to make recommendations to the TNC on the means to broaden the mechanisms for disseminating information on the discussions, drawing upon the experiences of countries for distributing information to their civil societies.

26. In regard to this enhanced participation of different sectors of civil society in the hemispheric initiative and increased and sustained two-way communication with civil society, we take particular note of the decision to hold meetings with civil society, in conjunction with the regular meetings of the SOC, focusing on issues that are topics of discussion in these negotiations. In the past year, two such meetings have been held, one in Sao Paulo, Brazil on agriculture and the other in Santiago, Chile on services. We note that these meetings included a broad representation of FTAA government officials and civil society including business, labor, agricultural producers, NGOs, academics, rural and indigenous groups. Reports of the meetings from the SOC, including the statements of civil society, were made available to the public on the official FTAA website. We are pleased that at least two such meetings are planned in 2004, one in the Dominican Republic on the topic of intellectual property rights and one in the United States on the topic of market access, including small business issues.

27. We appreciate the views that various sectors of civil society have provided us in the last year and a half and especially in parallel to the Mexico and San Salvador Vice Ministerial meetings. We appreciate the recommendations made by the Eighth Americas Business Forum and the First Americas Trade and Sustainable

Development Forum, organized with a broad representation of civil society, and with whom we met here in Miami, Florida. We encourage the holding of similar events organized parallel to all Ministerial and Vice Ministerial meetings and recommend that they include broad representation from civil society. We also take note of the regional seminar on the FTAA held by the Andean Community in Lima, Peru. The views expressed at these events constitute a valuable contribution to the negotiations, and we urge civil society to continue to make contributions in a constructive manner.

28. We welcome the Fourth Report of the SOC, which describes the activities of the SOC as well as the range of contributions received during this phase. We have made this report available to the public on the official FTAA website. We further instruct the SOC to continue to forward contributions to FTAA entities as well as to submit a new report for our next meeting outlining its activities and the range of views it has received from individuals and organizations in the hemisphere, as well as the manner in which these have been considered in the FTAA negotiations.

29. We express our interest in creating a civil society consultative committee within the institutional framework of the FTAA upon the Agreement's entry into force. Such a committee could contribute to transparency and the participation of civil society on an on-going basis as the FTAA is being implemented. We instruct the Committee on Government Representatives on the Participation of Civil Society, in coordination with the TCI, to continue to study the issue and make recommendations to the TNC concerning it. We ask the TNC to review these recommendations and make a proposal concerning this matter for our future consideration.

Working Languages

30. We reiterate our current operating procedure, which is to conduct Ministerial level meetings with interpretation in English, Spanish, French, and Portuguese, and to release to the public the Ministerial Declaration and the texts of the Draft FTAA Agreement in these four languages. We agree that TNC meetings will be conducted with interpretation in English, Spanish, French, and Portuguese, and reiterate the existing procedure that meetings of the other Committees and the Negotiating Groups will be conducted with interpretation in the working languages of English and Spanish and that documents in these meetings and the TNC will be translated into the two working languages.

Appointment of entity chairs

31. We recognize the work completed by the Chairs and Vice Chairs of the different Negotiating Groups and other FTAA entities during this phase of the negotiations, whose support has been crucial to the advances made in the process. In accordance with the terms agreed at the San Jose Meeting, we approve the new roster of Chairs and Vice Chairs for the various FTAA entities who will serve during the next phase of negotiations, which is submitted herewith as Annex ##. In the case of the resignation or permanent absence of a Chair of an FTAA entity, the Vice Chair will act as Chair.

Schedule of Meetings

32. We instruct the TNC to convene at least 3 meetings before the next Ministerial Meeting; the meetings shall be held in the cities of Puebla and Panama City, and in Trinidad and Tobago, respectively.

Candidate cities for the FTAA Secretariat Site

33. We note that the following cities have asked to be considered for the permanent site of the FTAA Secretariat and have so notified the TNC Co-Chairs: Atlanta, USA; Cancun, Mexico; Colorado Springs, USA; Miami, USA; Panama City, Panama; Port of Spain, Trinidad and Tobago; Puebla, Mexico; others by November 20). This is the final list of candidate cities. In order to facilitate our decision-making on this matter, we request that these cities provide to the FTAA Secretariat the information described in Annex ## Elements for the Evaluation of the Candidate Sites for the FTAA Secretariat by March 1, 2004, for dissemination to all delegations.

34. We agree that the elements developed by the ADM for evaluating candidate sites for the FTAA Secretariat are for information only to serve as a guide, and which may be used by countries in the selection process.

35. We agree that the decision on the site of the FTAA Secretariat will be taken at our ninth meeting.

Tripartite Committee

36. Once again, we express our appreciation for the support provided by the Tripartite Committee (the Inter American Development Bank (IDB), the Organization of American States (OAS), and the United Nations Economic Commission for Latin America and the Caribbean (ECLAC)) to the FTAA negotiations and their technical, analytical, and financial contribution to the hemispheric integration process. We also thank the IDB, ECLAC, and the OAS for the support provided to the Hemispheric Cooperation Program, and to the issue meetings of civil society, and for redesigning and maintaining the official FTAA website. We encourage the Tripartite Committee to continue to support the negotiations and the HCP, and we reiterate the need for their continued collaboration during this final stage of the negotiations.

FTAA Administrative Secretariat

37. We appreciate the invaluable and substantial support provided by the Administrative Secretariat to these negotiations. We also convey our appreciation to the Government of Mexico and the Tripartite Committee for the steps taken to cover the costs of the transfer of the Administrative Secretariat from Panama City to Mexico, and the costs of the operation of the Administrative Secretariat in the city of Puebla during the final stage of the negotiations. Finally, we thank the Government of Mexico for providing the facilities within which the negotiations are held and the Administrative Secretariat is functioning during this final phase.

Acknowledgments

38. We express our appreciation to the Ministers of Labor from Brazil, Canada and Mexico for providing their views on the work of the Inter-American Conference of Ministers of Labor, and for providing for our consideration the Report from the Working Group on Labor Dimensions of the Summit of the Americas Process established by the Inter-American Conference of Ministers of Labor (IACML) on the results of its examinations of, inter alia, questions of urbanization, rural development and labor. We reiterate that IACML will deepen its inquiry into key aspects of the labor dimensions of economic integration, and request that we be kept informed of the results. We share the views expressed in the Salvador Declaration regarding the importance of considering the social and labor components of hemispheric integration].

39. We thank the Governments of Mexico, El Salvador, Trinidad and Tobago and the United States for organizing the meetings of the TNC during this period and the Government of the United States for the organization of this ninth ministers' meeting. We also express thanks to the United States and Brazil for serving as the co-hosts of the FTAA during this final phase of the negotiations.

Future Meetings

40. We shall hold our next meeting in Brazil in 2004.

ANNEX #

APPOINTMENT OF CHAIRS AND VICE-CHAIRS OF THE FTAA NEGOTIATING GROUPS,
 COMMITTEES, AND THE CONSULTATIVE GROUP

FTAA NEGOTIATING GROUPS	CHAIR	VICE CHAIR
• NEGOTIATING GROUP ON MARKET ACCESS	COLOMBIA Felipe Jaramillo	DOMINICAN REPUBLIC Manuel Díaz Franjul
• NEGOTIATING GROUP ON AGRICULTURE	URUGUAY William Ehlers	MEXICO J. Trujillo
• NEGOTIATING GROUP ON GOVERNMENT PROCUREMENT	COSTA RICA Fernando Ocampo	PARAGUAY Juan Delgadillo
• NEGOTIATING GROUP ON INVESTMENT	PANAMA Norman Harris	NICARAGUA Humberto Arguello
• NEGOTIATING GROUP ON COMPETITION POLICY	PERU Mercedes Araoz	CARICOM Taimoon Stewart
• NEGOTIATING GROUP ON INTELLECTUAL PROPERTY RIGHTS	DOMINICAN REPUBLIC Orlando Jorge Mera	VENEZUELA Aura Ocando
• NEGOTIATING GROUP ON SERVICES	CARICOM Hillary Deveaux	ECUADOR Juan Falconi
• NEGOTIATING GROUP ON DISPUTE SETTLEMENT	CANADA Meg Kinnear	CHILE Federico Gajardo
• NEGOTIATING GROUP ON SUBSIDIES, ANTIDUMPING AND	ARGENTINA Adrián Makuc	MEXICO José Manuel Vargas

OTHER FTAA ENTITIES	CHAIR	VICE CHAIR
SMALLER ECONOMIES		NICARAGUA Ronald Ramkissoon
• COMMITTEE OF GOVERNMENT REPRESENTATIVES ON THE PARTICIPATION OF CIVIL SOCIETY		CHILE Pablo Lazo
• TECHNICAL COMMITTEE ON INSTITUTIONAL ISSUES		MEXICO Ricardo Ramirez

Alvaro Porta
PERU Liliana Honorio
USA/BRAZIL Karen M. Lezny Tovar da Silva Nunes

issues agreed by the Ministers at
 committee Chair will be the Vice-

* According to the terms of reference for the Technical Committee on Institutional Issues
 their Buenos Aires meeting, FTAA.mcmmin/2001/02, "The Trade Negotiations Committee
 Chair of this Committee."