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Original: English - Spanish Translation: FTAA Secretariat

FTAA - TRADE NEGOTIATIONS COMMITTEE DOCUMENT FROM THE CO-CHAIR:

DRAFT MIAMI MINISTERIAL DECLARATION

FREE TRADE AREA OF THE AMERICA 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.

The Vision of the FTAA

- 2. We, the Ministers, reaffirm our commitment to the successful conclusion of the FTAA negotiations by January 1, 2005, with the attimate 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
- 3. 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.
- 4. Taking into account and acknowledging existing mandates. Ministers rectanize 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.
- 5. 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

6. The Agreement will include measures in each negotiating discipline, and hot zontal 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 should 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.

7. The TNC at its Seventeenth meeting should develop a common and be anced set of rights and obligations applicable to all countries, as well as any specific additional instructions necessary for the Negotiating Groups to complete their negotiations in a manner consistent with this Ministerial Vision and General Instructions, and we instruct the TNC, the Negotiating Groups, and the Technical Committee on institutional Issues (TCI) to achieve consensus on the outstanding text issues of the FTAA Agreement. We will provide appropriate guidance to our respective delegations on an ongoing basis in order to resolve differences in an expeditious manner. The Negotiating Groups and TCI are instructed to submit to the TNC before its eighteenth meeting a final version of the chapters for the TNC's consideration and prepare any recommendations needed to resolve any outstanding issues. They are instructed to submit the chapters to the TNC no later that eight weeks before ou next meeting.

Guidance on text issues

- 8. 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.
- 9. We direct the TCI with due regard to the provisions contained in this Declaration to provide to the TNC, at its Seventeenth meeting, 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

10. We instruct that the negotiations on market access be conducted at a pace that will lead to the conclusion of those negotiations by September, 1, 2004

Differences in levels of development and size of economies

- 11. We acknowledge the differences in the levels of development and size of economics 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 the full participation of smaller economies and increase their level of development. We recognize the need to establish mechanisms that complement and enhance the measures that address differences in the level of development and size of 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.
- 12. 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 instruct the Consultative Group on Smaller Economies to keep this eport up to date, with the support of the Tripartite Committee, and to submit it to us at our next meeting.

Hemispheric Cooperation Program.

13. We welcome the efforts of the Consultative Group on Smaller Economies (COSE), 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 13 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 strong beginning to the rocess of enhancing the capacity

of the countries that are seeking assistance to complete negotiation of the FT. A Agreement, prepare to implement its terms, and to enhance their capacity to trade, and successfully adapt to integration.

- 14. Based on the discussions and the TNC Report on progress in the implementation of the HCP and the initial meeting with donors, we instruct the CGSE with the help of the Tripartite Committee to improve 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 see months. We encourage the donor community to provide predictable and multifaceted financial and non-financial support 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. 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.
- 15. We agree that meaningful integration of developing countries and smaller conomies into the hemispheric trade system will demand efforts on the part of all FTAA Parties.
- 16. 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.

Institutional Issues

17. We instruct the TCI to continue its work on all the issues within its manuate. We further instruct the TCI to discuss, in co-ordination with the SOC, the establishment of a Civil Society Committee as part of the institutional structure of the FTAA after its implementation.

Transparency and the Participation of Civil Society

- 18. 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.
- 19. 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 Covernment Representatives on the Participation of Civil Society (SOC) and that highlights best practices for dissent nating 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.
- 20. 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 protectly rights and one in the United States on the topic of market access, including small business issues.
- 21. We appreciate the views that various sectors of civil society have provided as 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

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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.

22. 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 TAA entities as well as to submit a new report for our next meeting outlining its activities and the range of views at has received from individuals and organizations in the hemisphere.

Working Languages

23. 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 exilting 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

24. 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 clicial 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

- 25. We instruct the TNC to convene at least 3 meetings before the next Minister al Meeting; the meetings shall be held in the cities of ..., ... and ... respectively.
- 26. We approve the schedule of meetings for the period December 2003 June 2014 attached as Annex ##.

Candidate cities for the FTAA Secretariat Site

- 27. 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; Colora o 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 TNC Co-Chairs the information described in Annex ## Elements for the Evaluation of the Candidate Sites for the FTAA Secretariat by March 1, 2004.
- 28. We agree that the elements developed by the ADM for evaluating candidate specs for the FTAA Secretariat are for information only to serve as a guide, and which may be used by countries in the selection process.
- 29. We direct the TNC to provide us, at our next meeting, with a proposal for the funding of the various FTAA institutions. This proposal should consider the implications for human resources of the institutional structure of the Agreement.

Tripartite Committee

30. 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 (OAL), and the United Nations Economic Commission for Latin America and the Caribbean (ECLAC)) to the FTAL 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 in hosting the roundtable meeting with doners to the Hemispheric Cooperation Program. We encourage the Tripartite Committee to continue to support the negotiations and reiterate the need for their continued collaboration during this final stage of the negotiations.

FTAA Administrative Secretariat

31. 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 Puepla 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

- 32. 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 or 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 globalization related to employment and labor. We share their views, as expressed in the Salvador Declaration, regarding the importance of considering the social and labor components of hemispheric integration.
- 33. 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 Eighth Ministerial Meeting. We also express thanks to the United States and Br zil for serving as the co-chairs of the FTAA during this final phase of the negotiations.

Future Meetings

34. We shall hold our next meeting in [...], Brazil, in the month of [...] of 2004.