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Buenos Aires Ministerial Declaration

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Buenos Aires Ministerial Declaration

The following document is the complete text of the Buenos Aires Ministerial Declaration adopted by the Ministers of Trade at their Sixth Meeting in Buenos Aires, Argentina, in April 2001:

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, held our Sixth Ministerial Meeting in Buenos Aires, Argentina, on April 7th, 2001.
 2. We take note of the significant progress made in the negotiations of the FTAA under the Chair of the Argentine Republic in this, the second eighteen-month stage of negotiations. We reaffirm the principles and objectives that have guided our work since the First Summit of the Americas, in particular, the basic principle of consensus in decision making within the FTAA process and the achievement of a balanced, comprehensive agreement that is consistent with the rules and disciplines of the World Trade Organization. We reaffirm that the result of the FTAA negotiations shall constitute a comprehensive single undertaking, that incorporates the rights and obligations that are mutually agreed for all member countries. We reiterate that the FTAA can coexist 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. In light of the progress achieved in the course of the negotiating process, we recommend to the Leaders, at the Third Summit of the Americas, that they direct us to ensure negotiations of the FTAA Agreement are concluded no later than January 2005 and to seek its entry into force as soon as possible thereafter, but in any case, no later than December, 2005.
 3. We believe in the importance of trade liberalization, both globally and regionally, in generating economic growth and prosperity in the Hemisphere. In this connection, we consider important the strengthening of the ongoing trade integration processes within our Hemisphere, which can facilitate the achievement of full Hemispheric integration. We reaffirm our commitment to a more open and balanced global trading system and believe that the FTAA negotiations will facilitate the achievement of this objective. Consequently, we reiterate our commitment to avoid, to the extent possible, adopting policies or measures that may adversely affect regional trade and investment and to avoid imposing further barriers to countries outside the Hemisphere.
 4. At the Third Summit of the Americas, to be held in Quebec City, from April 20–22, 2001, our Heads of State and Government will review the progress we have made together both in addressing the challenges highlighted at the previous Summits of the Americas and in identifying new priorities for hemispheric action. We recognize the significant contribution that economic integration, principally through the FTAA, will make to the attainment of the broader objectives in the Summit of the Americas process, including strengthening democracy, creating prosperity and realizing human potential. We reiterate that the
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negotiation of the FTAA will continue to take into account the broad social and economic agenda contained in the Miami and Santiago Declarations and Plans of Action with a view to contributing to raising living standards, improving the working conditions of all people in the Americas and better protecting the environment. We reiterate that one of our general objectives is to strive to make our trade liberalization and environmental policies mutually supportive, taking into account work undertaken by the World Trade Organization and other international organizations, and to further secure, in accordance with our respective laws and regulations, the observance and promotion of worker rights, renewing our commitment to the observance of internationally recognized core labor standards, and acknowledging that the International Labour Organization is the competent body to set and deal those core labor standards.

5. We reaffirm our commitment, embodied in previous Ministerial declarations to take into account, in designing the FTAA, the differences in the levels of development and size of the economies of our Hemisphere to create opportunities for the full participation of the smaller economies and to increase their level of development. We recognize the broad differences in the levels of development and size of the economies in our Hemisphere and we will remain cognizant of those differences in our negotiations so as to ensure that they receive the treatment that they require to ensure the full participation of all members in the construction and benefits of the FTAA.
6. We reiterate the importance of cooperation to enable the strengthening of the productive capacity and competitiveness of those economies. Likewise, in the light of general principles which we have approved in the San Jose Ministerial Declaration, we reaffirm the need for technical assistance, as well as specific provisions to meet the needs of those countries with different levels of development and size of their economies; including the special needs of smaller economies, such as to enhance their capacity to secure the maximum benefits from their participation in the FTAA.
7. We recognize the importance of macroeconomic stability as a factor in providing certainty and predictability, which will facilitate the attainment of greater well-being, contribute to increased trade flows, economic integration and sustainable development. In this connection, we underscore the importance of developing greater hemispheric integration, in keeping with the objectives established at successive Summits of the Americas.
8. We consider that the Third Summit of the Americas is an opportunity to continue to build on the Plans of Action approved at earlier Summits, in order to strengthen the hemispheric cooperation programs, which facilitate the support of each country's effort on areas relevant to its effective participation in the negotiations and benefits of the FTAA.

Present and Future of the Negotiations

9. We have reviewed the Report prepared by the Trade Negotiations Committee and, among the achievements of this second stage of negotiations, we should

highlight, in particular: the development of a preliminary draft FTAA Agreement, resulting from the compilation of draft texts produced by the Negotiating Groups; the initiation of discussions on the overall architecture of an FTAA Agreement (general and institutional matters); progress in the reports on the interaction between trade and competition policy, including antidumping measures; on the inter-relationship between the Negotiating Groups on Market Access and Agriculture; and on the Treatment of differences in levels of development and size of economies in trade and integration agreements; the move of the Administrative Secretariat to Panama in fulfillment of the agreement at our Fourth Ministerial Meeting; progress in preparing an Organizational Manual for the Administrative Secretariat and progress in the implementation of the eighteen business facilitation measures approved at our Fifth Ministerial Meeting.

10. We appreciate the considerable work done by the Negotiating Groups in developing the draft texts. In the light of this progress we instruct the Negotiating Groups to intensify efforts to resolve existing divergences and reach consensus, with a view to eliminating the brackets from draft texts, to the maximum extent possible, to work on consolidating texts on the basis of the specific instructions included in Annex I and to submit to the TNC a new version of chapters on their respective areas no later than 8 weeks before our next meeting.
 11. The Trade Negotiations Committee shall ensure that progress is made in all the Negotiating Groups, in conformity with the general principles agreed at our meeting in San Jose. In this regard, it shall assess the progress achieved in the Negotiating Groups with regard to the tasks assigned to them in Annex I to this Declaration and resolve any divergences that may exist in the recommendations, and shall instruct that market access negotiations be initiated no later than May 15, 2002.
 12. We instruct the Trade Negotiations Committee to prepare a second version of the draft FTAA Agreement, including the chapters from each Negotiating Group and chapters covering general and institutional aspects, for our consideration at the next Ministerial Meeting.
 13. We also instruct the Trade Negotiations Committee to continue its consideration of the treatment of the differences in the levels of development and size of the economies of the Hemisphere, including the smaller economies, and to provide, in this respect, ongoing guidance to the Negotiating Groups in their consideration of specific proposals submitted by countries or groups of countries in each of the substantive negotiating areas.
 14. With the support of the Consultative Group on Smaller Economies and the Tripartite Committee, the Trade Negotiations Committee shall formulate, no later than November 1, 2001, some guidelines or directives on way of applying the treatment of the differences in the levels of development and size of economies.
 15. In order to complete this work, we agree that the TNC should hold no less than three meetings over the next eighteen months, culminating in the next Ministerial meeting, to be held no later than October 31, 2002. The meetings will be held in Nicaragua, Venezuela, and the Dominican Republic, successively.
 16. We considered and took note of the Report from the Trade Negotiations Committee and reaffirm its role as the executive body of the negotiating process.
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The overall management of the process includes, *inter alia*, guiding the work of the different FTAA entities, while striving to maintain steady progress in all negotiating areas, in accordance with their objectives and mandates; deciding on the overall architecture of the FTAA Agreement—general and institutional aspects; supervising the general work of the Technical Committee on Institutional Issues; ensuring the transparency of the negotiating process; supervising the work of the Administrative Secretariat; supervising the work of the Administration and Budget Sub Committee; supervising requests made to the Tripartite Committee, establishing priorities, where necessary; supervising the implementation of approved business facilitation measures and continuing to analyze the treatment of differences in the level of development and size of the economies of the Hemisphere.

17. We reiterate our instructions to the Trade Negotiations Committee to continue to identify links between the FTAA entities, specifying the appropriate procedures for ensuring effective and timely coordination.
18. We instruct the Trade Negotiations Committee to assess, in consultation with the Negotiating Groups, and on an ongoing basis, the need to create new Negotiating Groups, based on the progress achieved by existing Groups, and to establish other Negotiating Groups or Sub Groups, where appropriate.

Business Facilitation

19. We have received the report of the Ad-Hoc Group of Customs Experts and we take note of the progress achieved in implementing the business facilitation measures agreed upon at our previous meeting. We encourage countries to continue to work towards fully implementing these measures, supplemented by technical assistance and technical cooperation plans, with the conviction that such measures shall contribute significantly to expediting transactions in the Hemisphere and to creating a more efficient and predictable business environment.
20. In this regard, we welcome the approval of the Multilateral Investment Fund (MIF) Technical Cooperation Project—which comes under the authority of the Inter-American Development Bank—which will contribute towards facilitating the implementation of customs measures, taking into account the differences in the levels of development and size of the economies, including the smaller economies.
21. We have also received the report of the Tripartite Committee on transparency-related business facilitation measures, and we ratify the importance of full and ongoing implementation of these measures. We encourage the Governments to submit the information necessary to keep the FTAA official web page up-to-date, providing business communities and other interested parties rapid and effective access to the information.

Rotation of Chairs and Vice-Chairs

22. We appreciate the work of the Chairs and Vice-Chairs of the Negotiating Groups, Consultative Group, and Committees in this second stage of

negotiations. Their professional work and dedication contributed significantly to the progress made to date. Consistent with the rotation guidelines agreed upon at our Fourth Meeting, we hereby approve a new list of countries that shall serve as Chairs and Vice-Chairs of the different FTAA entities in the third eighteen-month phase of negotiations, which is attached hereto in Annex II.

Transparency and Participation of Civil Society

23. At the Santiago Summit, Leaders instructed FTAA negotiators to ensure that the negotiating process was transparent and that negotiations were conducted so as to build broad public understanding of and support for the FTAA. Consistent with this mandate, and in keeping with our commitment to transparency, we have agreed to publicize the draft FTAA Agreement in the four official languages, after the third Summit of the Americas.¹ We believe that the dissemination of this text will alleviate considerably public concerns about the FTAA and will establish new standards of transparency in trade negotiations. Likewise, we agreed on disseminating, after each Summit of the Americas, the results achieved in the negotiating process.
24. We reaffirm our commitment to the principle of transparency in the FTAA process and recognize the need for increasing participation of the different sectors of civil society in the hemispheric initiative. We are grateful for the contributions made by civil society in this stage of the negotiations of the FTAA and urge civil society to continue to make its contributions in a constructive manner on trade-related issues of relevance to the FTAA. We appreciate the recommendations on this issue area submitted by the Trade Negotiations Committee for our consideration.
25. We consider that the Committee of Government Representatives on the Participation of Civil Society is an important mechanism for fulfilling the commitment to transparency and we welcome the report which presents the range of viewpoints received during this stage from individuals and organizations from the Hemisphere.
26. In this connection, we instruct the Committee of Government Representatives on the Participation of Civil Society to foster a process of increasing and sustained communication with civil society, to ensure that civil society has a clear perception of the development of the FTAA negotiating process. To this end, we instruct this Committee to develop a list of options for the consideration and decision of the Trade Negotiations Committee at its next meeting, which could include dissemination programs in smaller economies, which could be funded by the Tripartite Committee or other international sources of funding.
27. We further instruct the Trade Negotiations Committee to analyze the possibility of incorporating more information on the FTAA process in the official web page, including the dissemination of the second Report of the Committee of Government Representatives on the Participation of Civil Society.

1. The phrase "after the third Summit of the Americas" was incorporated on April 13, 2001 in order to make the English version consistent to the original in Spanish.

28. We also instruct the Committee of Government Representatives to forward to the Negotiating Groups the contributions submitted by civil society which refer to their respective issue areas, and those related to the FTAA process in general.
29. We are grateful for the recommendations made by the Sixth Americas Business Forum, which, like those made in previous fora, serve as valuable input to the negotiations.
30. We take note of the fora and seminars on FTAA negotiations that different civil society organizations have carried out in the countries of the region and we invite them to present the conclusions of their work to the Committee of Government Representatives on the Participation of Civil Society.

Electronic Commerce

31. We are also grateful for the new report of the Joint Government-Private Sector Committee of Experts on Electronic Commerce. We shall forward their recommendations to the competent government authorities and make them available to the wider public. We agree that the joint committee should continue to meet with a view to making further recommendations on issues under its mandate and presenting us with a new report at our next meeting. We instruct the Committee on Electronic Commerce to delve further into its review of specific issues on its work agenda, to identify new issues relating to this subject, including mechanisms for reducing the growing digital divide between the countries of the Hemisphere.

Consultative Group on Smaller Economies

32. We have received the report of the Consultative Group on Smaller Economies and are grateful for its recommendations on activities and work to be completed in the future work of the Group, with the aim of successfully treating the differences in the level of development and size of the economies of the Hemisphere. We recall that considerations related to differences in the levels of development and size of the economies of the Hemisphere must be taken into account within the context of each Negotiating Group. We instruct the TNC to examine ways to strengthen the flow of information between the Negotiating Groups and the CGSE on issues arising relevant to the interests and concerns of smaller economies, so that the CGSE can adequately fulfill its mandate. We appreciate the considerable progress made in developing a data base containing the technical assistance needs and sources of technical assistance for smaller economies and are grateful for the further efforts made to enhance the system.

Tripartite Committee

33. We appreciate the analytical, technical and financial contributions made by the Tripartite Committee—made up of the Inter-American Development Bank, Organization of American States and the United Nations Economic Commission for Latin America and the Caribbean—to the different FTAA entities. We

acknowledge that this support has been important to the conduct of the negotiations to date, and we encourage these institutions to continue to collaborate in the process of Hemispheric integration.

Administrative Secretariat

34. We recognize the logistical support for negotiations provided by the Administrative Secretariat. We are grateful to the Government and community of Florida for the substantial support afforded the Administrative Secretariat for the period it was located in Miami as well as to the Government and community of Panama for the efforts made to enable the effective establishment of the Administrative Secretariat in Panama until February 2003.
35. We take note of the moving of the Administrative Secretariat to Panama, in accordance with the agreement reached in our Fourth Ministerial Meeting, and of the progress in preparing a Procedural Manual for the Administrative Secretariat.
36. We thank the Tripartite Committee for its support in setting up the Administrative Secretariat in its new venue.

Acknowledgements

37. We thank Guatemala, Barbados and Peru for organizing the meetings of the Trade Negotiations Committee and the Republic of Argentina for serving as Chair of the FTAA during this second phase of negotiations and for the organization of this Sixth Ministerial Meeting. We shall meet once again in Ecuador, no later than October 2002.

Annex I: Instructions to the Negotiating Groups

GENERAL INSTRUCTIONS

1. We instruct the Negotiating Groups to continue working under the general principle that any delegation has the right to present the text proposals it deems relevant for the effective progress of the process, which may eventually be placed in brackets.

Most Ministers recognize that the issues on environment and labour should not be utilized as conditionalities nor subject to disciplines, the non-compliance of which can be subject to trade restrictions or sanctions.
 2. We instruct the Negotiating Groups that the proposed texts already submitted and future texts should not render ineffective the obligations to be assumed by countries in relation to those substantive issues or areas on the FTAA negotiations agenda.
 3. We instruct those Negotiating Groups which are drafting special dispute settlement provisions to submit their proposals to the Negotiating Group on Dispute Settlement in order that the Negotiating Group on Dispute Settlement may consider, in coordination with these Negotiating Groups, the compatibility of
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the provisions with the rules drafted in this area and present their conclusions to the Trade Negotiations Committee for its consideration, or to the Technical Committee on Institutional Issues, where appropriate.

4. We reiterate to the Negotiating Groups the obligation to consider proposals which ensure the treatment of the differences in the levels of development and size of the economies of the Hemisphere; in particular, the situation of smaller economies, through considerations of proposals submitted by the countries or groups of countries.

A. Market Access

1. We instruct the Negotiating Group on Market Access to submit to the Trade Negotiations Committee, in coordination with the Negotiating Group on Agriculture recommendations on the methods and modalities for tariff negotiations by April 1, 2002 to be considered by the TNC at its first meeting following that date, in order to initiate negotiations no later than May 15, 2002.
2. We instruct the Negotiating Group on Market Access to determine, by the deadline of April 1, 2002, the timetable and modalities for establishing FTAA rules of origin, to be evaluated by the TNC at its first meeting following that date in order to initiate negotiations no later than May 15, 2002.
3. We instruct the Negotiating Group on Market Access to accelerate the process of identifying non-tariff measures, so as to have, by April 1, 2002, a preliminary inventory of such measures, in order to establish a methodology, including a schedule, where appropriate, for the elimination, reduction, definition, further definition, further disciplining and/or prevention of non-tariff barriers.
4. We instruct the Negotiating Group on Market Access to work, in coordination with the Negotiating Group on Agriculture and the Tripartite Committee, to ensure that the Hemispheric Data Base is fully operational by November 1, 2001.
5. We instruct the Negotiating Group on Market Access to intensify the negotiation of a safeguards regime applicable to the goods of the Hemisphere and to submit to the Trade Negotiations Committee, by the deadline of April 1, 2002 a report on the progress made in this issue area.
6. We instruct the Negotiating Group on Market Access to work in coordination with the Negotiating Group on Agriculture, when they deem it necessary, to address issues of common interest.

B. Agriculture

1. We instruct the Negotiating Group on Agriculture to submit to the Trade Negotiations Committee, in coordination with the Negotiating Group on Market Access, recommendations on the methods and modalities for tariff negotiations by April 1, 2002, to be evaluated by the TNC at its first meeting following that date, in order to initiate negotiations May 15, 2002.
2. We instruct the Negotiating Group on Agriculture to submit to the Trade Negotiations Committee, recommendations on the scope and methodology for eliminating export subsidies affecting trade in agricultural products in the Hemisphere by the deadline of April 1, 2002, to be evaluated by the TNC at its first meeting following that date.

3. We instruct the Negotiating Group on Agriculture to submit to the Trade Negotiations Committee, by the deadline of April 1, 2002, recommendations on the types of measures and the methodology for the development of disciplines to be adopted for the treatment of all the other practices that distort trade in agricultural products, including those which have an equivalent effect to agricultural export subsidies, for evaluation by the TNC at its first meeting following that date. Such recommendations shall not preclude in any way the discussion of all the elements and subjects which delegations deem necessary for addressing all such practices.
4. We instruct the Negotiating Group on Agriculture to accelerate the process of identifying non-tariff measures so as to have, by April, 2002, a preliminary inventory of such measures, in order to establish a methodology, including a schedule, where appropriate, for the elimination, reduction, definition, further definition, further disciplining and/or prevention of non-tariff barriers.
5. We instruct the Negotiating Group on Agriculture to work, in coordination with the Negotiating Group on Market Access and the Tripartite Committee, to ensure that the Hemispheric Data Base is fully operational by November 1, 2001.
6. We instruct the Negotiating Group on Agriculture to establish a process of notification and counter-notification of sanitary and phytosanitary measures and to submit to the Trade Negotiations Committee, by the deadline of April 1, 2002 recommendations on the treatment to be adopted in order to prevent these measures from becoming unjustified obstacles to trade in the hemisphere.
7. We instruct the Negotiating Group on Agriculture to develop mechanisms to facilitate the full implementation of the WTO SPS Agreement in the Hemisphere.

C. Investment

1. We instruct the Negotiating Group on Investment to submit to the Trade Negotiations Committee its recommendations on modalities and procedures for negotiations by April 1, 2002, for evaluation by the TNC at its first meeting following that date, in order to initiate negotiations no later than May 15, 2002.

D. Subsidies, Antidumping and Countervailing Duties

1. We instruct the Negotiating Group on Subsidies, Antidumping and Countervailing Duties to intensify its work of identifying options for deepening, where appropriate, existing disciplines on subsidies in the WTO Agreement on Subsidies and Countervailing Measures, and to submit to the Trade Negotiations Committee recommendations on methodologies for deepening disciplines on subsidies by the deadline of April 1, 2002, for evaluation by the TNC during its first meeting following that date.
 2. We instruct the Negotiating Group on Subsidies, Antidumping and Countervailing Duties to intensify its efforts to reach a common understanding with a view to improving, where possible, the rules and procedures for the operation and enforcement of trade remedy laws, so as not to create unjustified obstacles to free trade within the Hemisphere, and to submit its recommendations on
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the methodology to be used to achieve this objective by the deadline of April 1, 2002, for evaluation by the Trade Negotiations Committee at its first meeting following that date.

3. We instruct the Negotiating Group on Subsidies, Antidumping and Countervailing Duties to identify, based on the Study on the Interaction Between Trade and Competition Policies (document FTAA.ngadvc/inf/07Cor.1), any areas that may merit further consideration by the Trade Negotiations Committee and to present its results to the Trade Negotiations Committee by the deadline of April 1, 2002.

E. Competition Policy

1. We instruct the Negotiating Group on Competition Policy to intensify its efforts to resolve the four research questions identified in Proposal For Further Work by the Tripartite Committee on the Study on Competition Policy in Smaller Economies and Economies Without Competition Regimes (FTAA.ngcp/w/56/Cor.1), following an agreed methodology.
2. We instruct the Negotiating Group on Competition Policy to identify, based on the Study on Antidumping and Regional Trade Agreements (document FTAA/ngcp/inf/17/Cor.2), any areas that may merit further consideration by the Trade Negotiations Committee and to submit its results and/or conclusions to the Trade Negotiations Committee by the deadline of April 1, 2002.

F. Services

1. We instruct the Negotiating Group on Services to submit to the Trade Negotiations Committee, its recommendations on modalities and procedures for negotiations by April 1, 2002, for its evaluation by the TNC during its first meeting following that date, in order to initiate negotiations no later than May 15, 2002.

G. Government Procurement

1. We instruct the Negotiating Group on Government Procurement to identify, by the deadline of April 1, 2002 the scope and details of the statistical information that countries should make available for exchange among themselves and to support their negotiations.
2. We instruct the Negotiating Group on Government Procurement to submit recommendations to the Trade Negotiations Committee on the guidelines, procedures and deadlines for negotiations, by April 1, 2002, for their evaluation by the TNC during its first meeting following that date, in order to initiate negotiations no later than May 15, 2002.

H. Dispute Settlement

1. We instruct the Negotiating Group on Dispute Settlement to submit to the Technical Committee on Institutional Issues, its preliminary views on the institutions that will need to be established to adequately implement the dispute settlement mechanisms established in the FTAA.
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**Annex II: Rotation of Chairs and Vice-Chairs for FTAA
Negotiating Groups, Committees and Consultative
Group**

FTAA Negotiating Groups	Chair	Vice Chair
Negotiating Group on Market Access	Argentina	Colombia
Negotiating Group on Agriculture	Guatemala	Uruguay
Negotiating Group on Government Procurement	Costa Rica	Colombia
Negotiating Group on Investment	Mexico	Bolivia
Negotiating Group on Competition Policy	Colombia	Peru
Negotiating Group on Intellectual Property Rights	United States	Dominican Republic
Negotiating Group on Services	Caricom	Venezuela
Negotiating Group on Dispute Settlement	Paraguay	Chile
Negotiating Group on Subsidies, Antidumping and Countervailing Duties	Peru	Caricom

Other FTAA Entities	Chair	Vice Chair
Consultative Group on Smaller Economies	Bolivia	Nicaragua
Joint Government - Private Sector Committee of Experts on Electronic Commerce	Canada	Peru
Committee of Government Representatives on the Participation of Civil Society	Dominican Republic	Panama
Technical Committee on Institutional Issues	Brazil	Ecuador

Notice of Journal's Name and Citation Revision

Beginning with this Winter/Spring 2001, double issue 1 and 2, our journal's name will be revised to "Law and Business Review of the Americas." We are dropping the prior lead word of "NAFTA," not because NAFTA is no longer important, but because U.S. and Western Hemispheric governmental policy and business emphasis is now on the broader notion of the creation of a Free Trade Area of the Americas. This FTAA process is well under way (see our Summer 2000 issue) and is a main foreign policy objective of the Bush administration.

With this journal name revision, we are also making fundamental structural adjustments in this and upcoming issues to make our publication even more relevant to our readership. The new Official Citation will be *L. & Bus. Rev. Am.*

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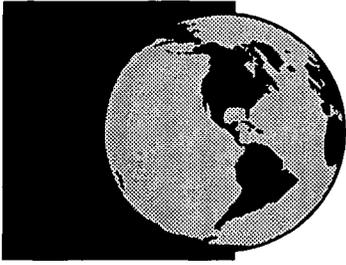
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