

At Miami, our heads of government resolved to conclude by 2005 the negotiation of a Free Trade Agreement of the Americas in which barriers to trade and investment would be progressively eliminated.

We as trade ministers were directed to review the initial work called for in the Summit's Plan of Action and to approve a program of further preparatory work to be completed over the next year.

We are "on track" regarding these preparations:

- The work carried out by the OAS [Organization of American States] and IDB [Inter-American Development Bank] under the auspices of the Special Committee on Trade has been first-rate. I look forward to more such analysis from these organizations.
- Our officials have established a number of working groups in priority areas to carry out preparatory work and report back to us at our meeting in March in Colombia.

Although it may appear technical, this type of work is of fundamental importance to achieving a successful negotiation. This is a priority initiative for Canada.

Our officials will contribute actively to this work.

However, as ministers we need to do more than initiate a program of preparatory work. We need to provide form and shape to the commitment of our heads of government to the negotiation of a hemispheric free trade agreement. Their commitment in terms of the scope and timing of such negotiations was ambitious but achievable.

However, two fundamental issues need to be addressed in order to complete the architecture of a Free Trade Agreement of the Americas.

First, how ambitious shall we be in terms of specific obligations and rights?

Clearly, all tariffs will have to be eliminated over 10 years, with some limited exceptions to be agreed. This will be the core of the final agreement. But what about other areas?

Once Panama and Ecuador successfully accede to the World Trade Organization, all countries in the Hemisphere will be WTO members. Do we want to go beyond the provisions of the WTO in certain areas?

In the area of agricultural subsidies, we may be able to go further than the WTO. For example, could we agree to prohibit export subsidies in the region by member countries?