

## Backgrounder

### A FREE TRADE AREA OF THE AMERICAS

At the Summit of the Americas last December, elected heads of government from 34 countries in the Western Hemisphere met in Miami in the spirit of greater co-operation on issues of mutual interest and concern.

Government leaders approved a Declaration of Principles and a Plan of Action that highlighted the Summit's themes of liberalizing trade, guaranteeing sustainable development and strengthening democracy.

On the trade front, Summit leaders committed to negotiate a free trade area of the Americas (FTAA) by 2005.

The Plan of Action called for:

- ministers responsible for trade to meet in June 1995 and March 1996 to determine the best means of achieving the FTAA and to initiate preparatory work to this end;
- an analysis of how existing trading arrangements in the hemisphere fit together and how they differ, means of improving disciplines among these arrangements and ways of bringing them together; and
- the Organization of American States' Special Committee on Trade to assist in the systemization of regional data and to continue the study of economic integration arrangements, including the preparation of brief comparative descriptions of existing trade agreements in the Hemisphere.