

And I am pleased to announce that Kent Jespersen has been appointed Chair of that Forum. Until recently, Mr. Jespersen was President of NOVA Gas International and is currently Chairman of La Jolla Resources International, based in Calgary. He will be working closely with the Canadian Council of the Americas and other Canadian business groups to ensure the success of the Forum.

Today, I would like to share with you the progress that has been made so far, and the key challenges that lie ahead of us.

Thus far, the FTAA process is on track. We had a good launch in Santiago, with all 34 leaders present. The Administrative Secretariat is now up and running here in Miami, and I am delighted that Michael Eastman has been selected to act as its Director.

In June, Canada chaired the first meeting of the Trade Negotiations Committee in Buenos Aires. That Committee established work programs for the nine negotiating groups. These nine groups met this past September and October in Miami to begin their work.

At that same meeting in June, the Committee established work programs for the three bodies that will deal with some of the larger issues that face all: namely, electronic commerce; the special interests of smaller economies; and the participation of civil society. These groups also held their inaugural meetings in October.

Just last week in Suriname, the Trade Negotiations Committee held its second meeting. It focussed on the issue of business facilitation. Real progress was achieved as our chief negotiators agreed to initial efforts in the area of customs procedures. They will reconvene in a few months to examine options in greater detail.

So the negotiations are now under way.

But to recount the progress is not to discount the challenges. And they are significant. But then, no undertaking of this magnitude could be otherwise.

Canada sees five key challenges which must be addressed and overcome: U.S. fast-track authority, business facilitation, the involvement of civil society, the unequal size of the various players and the global financial crisis.

Let me just touch on each of these:

First, U.S. fast-track authority.

The continuing absence of this authority is unfortunate and, frankly, disappointing. While it is not fatal at the moment, the lack of fast track has clearly had an impact on the level of engagement by the United States. This, in turn, will affect the engagement of others, for no country will agree to negotiate twice.

More generally, the lack of fast-track authority sends an unhelpful signal about American commitment to liberalized trade. It would be unfortunate indeed if the

United States, which has been both an architect and beneficiary of trade liberalization over the past 25 years, were to now slacken its vigour or abdicate its leadership.

I was encouraged that President Clinton, in speeches to the World Bank and IMF in recent weeks, rallied the troops for a fast-track mandate in January of next year.

I wish him every success because the world needs the United States to remain committed to trade liberalization; to engage outwardly, rather than turning inward. The FTAA is a prime test of that commitment and fast track would provide an important reassurance.

Second, we need to make progress in the area of business facilitation.