

In 2000, Canada will seek to:

- move the FTAA forward in all areas, with a focus on producing the draft text of the FTAA Agreement for the next ministerial meeting, to be held in Argentina in April 2001;
- ensure implementation by all countries of the customs facilitation measures agreed to by ministers in Toronto and encourage next steps toward agreement on a new package of measures; and
- pursue a collective process of consultation with civil society in the Americas.

The FTAA negotiations were officially launched by Prime Minister Chrétien and other hemispheric leaders in April 1998, based on the objectives, principles, structures, venues and other decisions set forth in the Joint Declaration issued by trade ministers in San José, Costa Rica, in March 1998. Key objectives and principles guiding the negotiations are that the FTAA will maximize market openness through a balanced and comprehensive agreement; that it will be consistent with the rules and disciplines of the WTO; and that countries are to accept the agreement as a single undertaking. Acceptance of the agreement as a single undertaking means that countries cannot "pick and choose" among the various chapters or provisions of the agreement but must accept it on an "all-or-nothing" basis.

Also at the San José meeting, trade ministers recognized the leadership role that the Canadian government played in launching the FTAA negotiations by selecting Canada to chair the negotiations until November 1999. In this capacity, Canada has chaired the Trade Negotiations Committee (TNC) of Chief Negotiators for the first 18-month period and hosted the Fifth Trade Ministers' Meeting in Toronto on November 3-4, 1999.

Under Canada's chairmanship, considerable progress has been achieved in several areas of the FTAA process, including the institutional infrastructure for the negotiations: work programs were developed for the nine negotiating groups, as well as for the bodies addressing the broader issues of e-commerce, smaller economies and civil society participation; the Administrative Secretariat was established in Miami; funding and support for the process were secured from the FTAA Tripartite Committee, which consists of the Organization of American States (OAS), the United Nations Economic Commission for Latin

America and the Caribbean, and the Inter-American Development Bank; and draft rules and procedures for negotiations were developed.

The highlight of Canada's chairmanship was the ministerial meeting held in Toronto in November. Given the absence of U.S. fast-track negotiating authority, progress on business facilitation was an important element in achieving the concrete progress by 2000 mandated by hemispheric leaders and trade ministers. As part of an on-going process of business facilitation, ministers agreed in November to adopt eight measures to streamline and simplify customs procedures and ten measures to enhance the transparency of government rules and regulations affecting trade and investment. These measures will, once implemented, reduce red tape and other transaction costs of doing business in the hemisphere and, through websites, inventories, guides and other instruments, make information relevant to the conduct of business in the hemisphere more accessible to stakeholders. These measures can be accessed through the official FTAA home page at http://www.ftaa-alca.org/alca_e.asp

In Toronto, ministers also agreed on a strong collective message to send to trade ministers gathering less than a month later in Seattle for the WTO Ministerial Conference. The most significant element of this message from a Canadian standpoint was the agreement to work together in the WTO toward the elimination of agricultural export subsidies and the development of disciplines on other trade distorting practices, as well as toward the earliest compliance with all existing agricultural commitments under the Uruguay Round. Having such an unequivocal statement from the 34 FTAA participating countries puts added pressure on countries that subsidize agricultural exports and strengthens Canada's position on this issue at the WTO.

Ministers also took stock of the progress made during the first 18 months of the negotiations and issued clear directions for the next stage. Specifically, ministers directed the negotiating groups to produce the draft text of their respective chapters of an FTAA agreement in time for the next ministerial meeting in Argentina, expected in April 2001. The TNC has, in turn, been tasked with assembling the text from the negotiating groups and with working on the architecture of the agreement and on its general and institutional sections.