

The next step was taken at a hemispheric trade ministers' meeting held in Denver, USA in late June 1995.

The ministerial declaration issued in Denver moved the preparatory work forward. It is in the nature of such complex, multi-nation exercises that participants begin to position themselves on substantive matters once the focus shifts away from the "big picture" objectives toward the detail of what might be negotiated in practice. The Denver declaration is no exception. It staggers the preparatory activities, with some beginning immediately and other aspects starting only at a later date. Moreover, the link between the preparatory work and a subsequent negotiations phase is more explicit in some areas (e.g., the elimination of import duties) and less clear in others (e.g., investment-related obligations), reflecting a combination of policy differences among the participants and (more optimistically) pre-negotiation posturing.

This is natural enough. The mere fact that senior representatives of most countries in the hemisphere are regularly sitting around the same table exploring how to achieve a comprehensive free trade area is nothing short of revolutionary - an indication of how far economic policy in the region has shifted. It is natural that certain smaller economies want the discussions to reflect their "special" transitional needs and that certain larger economies (especially Brazil) want to mould the agenda and the rhythm of this process to underscore their "central" rôle. It is also true that the degree of economic policy coherence varies within the region. This fact also reflects itself in the language adopted in public statements.

Nonetheless, the Denver declaration did clearly take a further step forward towards the free trade area objective. It established a preparatory work programme explicitly linked to the eventual initiation of negotiations. Ministers confirmed that the FTAA should be very comprehensive in scope (covering, *inter alia*, goods, services, investment and intellectual property) and that the final package would represent a "single undertaking".²⁶ Seven working groups were established, with four more to follow in early 1996, covering most major issues and charged with developing the information base and recommendations aimed at facilitating the initiation of "active negotiations". Ministers also approved a reasonably detailed work plan for each

²⁶ This is "code" language borrowed from the Uruguay Round. It is an important statement to the effect that the rights and obligations in each specific policy area are considered as part of a larger whole and not as individual stand-alone commitments from which a country can pick and choose. The single undertaking principle also implies that the various policy areas will be governed by a single over-arching institutional framework, including common dispute settlement procedures.