

## **NAFTA Free Trade Commission: Joint Statement: "A Foundation for Future Growth"**

PUERTO VALLARTA, MEXICO - Following the May 28 meeting of the NAFTA Free Trade Commission, Mexican Secretary of Economy Luis Ernesto Derbez, United States Trade Representative Robert B. Zoellick, and Canadian Minister for International Trade Pierre S. Pettigrew are pleased to release the following Joint Statement which outlines the overall results:

As we look back over the eight years since NAFTA entered into force, we are pleased with its unconditional success. The Agreement has brought economic growth and rising standards of living for people in all three countries. In addition, NAFTA has established a strong foundation for future growth and has set a valuable example of the benefits of trade liberalization.

Since 1994, our trilateral trade has more than doubled, now surpassing US\$622 billion, more than US \$1.7 billion is traded every day through our borders. Investment in our three countries has also grown significantly, making North America one of the most competitive, prosperous and economically integrated regions in the world. As we approach January 1, 2003, when nearly all tariffs between our three countries will be eliminated, we are pleased to note that the ultimate goal of the NAFTA of lowering costs for producers and lower prices for consumers is being achieved.

In looking at the future, we reaffirmed our determination to complete the full implementation of the Agreement according to the established schedule and directed officials to review the prospects of additional trilateral work that could stimulate further the trade between our three countries to allow the realization of the full potential of a more integrated and efficient North American economy.

We reviewed the operation of Chapter 11 of the NAFTA and directed experts to continue their work examining the implementation and operation of Chapter 11, including developing recommendation as appropriate. To better undertake this task, we directed our experts to identify shared priorities concerning the operation of Chapter 11 and to report to the Free Trade Commission actions as appropriate. The experts are to report to Ministers on a regular basis and, at a minimum, prior to the next meeting of the NAFTA Deputies in the Fall of 2002. We view this work as a necessary and highly beneficial to the effective and proper implementation of the Chapter as well as to increase public understanding of the operation of the Chapter.

We reaffirmed our strong support for further regional and multilateral trade liberalization, and especially the cooperation among, and leadership shown by, the NAFTA partners. These efforts should serve as a model for cooperating amongst ourselves in other regional and global fora, such as the Asia-Pacific Economic Cooperation (APEC) and the World Trade Organization (WTO). In APEC we are cooperating to implement the elements of 2001 APEC Leaders Declaration, in particular those contained in the Shanghai Accord on transparency, trade facilitation and the new economy, as well as those relating to WTO capacity building and biotechnology.

We are committed to achieve significant progress in the WTO negotiations by the 5th Ministerial to be held in Cancun in September 2003, and to complete the negotiations by January 2005. We are pleased that in the Free Trade Area of the Americas we have been able to initiate market access negotiations. This should enable us to keep on track to conclude the FTAA negotiations no later

than January 2005. Our negotiators continue to make progress on consolidating the text and we look forward to reviewing the new texts at the FTAA Ministerial in November. We will work with the smaller economies so that all countries can meet the agreed negotiating deadlines.

We reached agreement on a trilateral communications workplan to inform the public of the success of the agreement, to disseminate information, and to promote transparency for better understanding of the agreement. We have published a trilateral brochure on NAFTA's 8th year, which can be found at our ministries web sites.

Finally, we agreed that Canada will host the next NAFTA Commission Meeting at the Ministerial level next year.