



**COMMITTEE ON THE FTAA, ECONOMY,
TRADE, LABOUR AND MIGRATION**

RECOMMENDATION ON ECONOMIC INTEGRATION IN THE LIGHT OF THE FTAA

TAKING into account the Quito Ministerial Declaration, of November 1, 2002, following the Hemisphere Trade Ministerial Meeting;

BEARING in mind the Continental Parliamentary Meeting on the FTAA and the role of Parliamentarians from the region as well as the Quito Declaration that emerged from that meeting;

DEEPLY CONVINCED that the people's representation entrusted to the parliaments shall, in this case, legitimize the negotiations being carried out and taking into account the debates at the Parliamentary Summit on Continental Integration, that took place recently in Brasilia, Brazil;

WHEREAS free trade agreements grant important rights to investors, while limiting and conditioning in an undesirable manner the capacity of parliamentarians to legislate in accordance with the concerns of their fellow citizens;

AWARE that the various integration agreements have not led to a sufficiently productive transformation to promote a more equitable development for our peoples;

CONCERNED that up to now, the export dynamics of goods and services in certain countries as a result of the current trade agreements, has not enabled the integration of production chains and incorporated sectors from different origins to the benefits of the integration process;

RECOGNIZING the role that foreign investment has played as an external financial source, and deeply concerned about the dramatic increase in mergers and acquisitions of productive heritage of national economies;

TAKING INTO CONSIDERATION that in all the different forums, the agricultural issue has been a matter of anguish and concern, owing to the enormous drop in Latin American exports of these products, and that it has not been possible to make the agricultural sector competitive due to the high subsidies applied by other countries;

WE, parliamentarians of COPA:

REAFFIRM the importance of the premise “Nothing is agreed until everything is agreed”, meaning to say that if the demands that make the process equitable are not met, the coming into effect of the FTAA cannot prosper;

SUGGEST that a point of agreement be submitted to approval in our congresses to support the “hemispheric cooperation program”, whose goal is to enable those countries with insufficient resources to properly take part in the negotiations;

STATE that to bridge the democratic gap and for the parliaments of the Americas to exercise their power, it is necessary that the parliamentary representatives be admitted to the debates regarding the FTAA negotiations, through the recognition of the Parliamentary Confederation of the Americas (COPA) and its specialized organizations. If this were not to happen, the national congresses that form part of COPA would not be sufficiently informed to ratify trade agreements;

DEMAND the immediate elimination of all subsidies and protectionist measures used by some countries, that seriously distort the trade of agricultural products to the detriment of the less developed countries;

RECOGNIZE that there will no true integration between unequal countries, unless compensatory measures are established to overcome the existing asymmetries between the different countries. Integration is not synonym of domination, but rather cooperation, balanced and harmonious development between the different peoples of the Americas;

DECLARE that the parliamentary institutions are precisely the most fitting entities to collect the concerns of society and to function as a bridge between society and the integration process negotiators;

RECOMMEND that during the ministerial meetings and on occasion of the Summits of the Heads of State Government of the Americas, COPA call a meeting of its Executive Committee or of the Permanent Thematic Committee involved;

URGE the executive branches of our countries to design an industrial policy to promote the creation of productive chains to incorporate small businesses into the integration process;

URGE the Heads of State and Government of the Americas to establish a transparent negotiation process and, for this purpose, accounts should be rendered before the parliamentary authorities during the whole process;

CONSIDER that no resort to negotiations regarding subsidies and other protectionist barriers should be used in instances outside the framework in which the FTAA negotiations are being carried out, since this would not lead to a transparent process;

RECOMMEND that a forum on fiscal policy be carried out to analyze the convenience and the possibility of harmonizing tax regulations to coordinate macroeconomic policies in the region;

RECOMMEND that the Permanent Committee on the FTAA, Economy, Trade, Labour and Migration examine the European integration process as well as the North American Free Trade Agreement, specifically the content of Chapter XI, and that the results be given to COPA's member parliamentarians;

URGE that integration efforts respect other aspects of our reality, and not only the economic issues. Integration is justified when it increases the exports of each country that adheres, having as a direct result economic and social benefits for the population, among them the creation of productive jobs that prevent social exclusion and marginalization and the migration that derives from this;

CALL UPON the Heads of State and Government of the Americas to exert pressure on developed countries during the different forums, to urge the latter to lift tariff and non-tariff barriers and subsidies to exports, since this leads to inequitable treatments between the different countries that take part in the integration process.