

Published: 12.05.2004

Four-way Tucson trade talks quickly hailed as a success 'Give-and-take really began' with this round

By Tiana Velez

ARIZONA DAILY STAR

Even as the last few meetings were wrapping up in the U.S.-Andean Free Trade Agreement talks, chief negotiators from the United States and three Andean nations pronounced the Tucson round a success.

On the negotiating table this time were provisions of the agreement pertaining to twoway market access for agricultural and industrial products, including the exportation of textiles from the Andean region to the United States.

Negotiators also discussed intellectual-property rights as they relate to pharmaceuticals.

The sixth of what was to be seven rounds, now possibly nine, started Tuesday in Tucson among the principal countries: Colombia, Ecuador, Peru and the United States.

In addition to the negotiators, about 50 congressmen from the three Andean countries attended, along with several ministers of trade and commerce, and hundreds of representatives from the nations' private and commercial sectors.

Also attending was a small group of delegates from Bolivia who, while not part of the official negotiations in Tucson, hope to be included in later rounds.

"This has undoubtedly been a round where the negotiations, in the give-and-take sense, have really begun," said Hernando José Gomez, chief negotiator for Colombia.

He cited progress made with respect to Colombia and quoted a figure of 98.7 percent as the portion of industrial products made in his country that would be subject to immediate free-trade benefits and market access.

Expressing a degree less enthusiasm were the negotiators from Ecuador and Peru. Both conceded that while the negotiations had been positive in general, there remained areas in which they spoke of the need to "double their efforts."

One of those is the issue of patents granted to pharmaceutical companies under the broader intellectual-property provisions of the agreement.

Earlier, representatives from the health sector in Latin America expressed concern over whether the current expiration timeline of five years for patents would be extended.

If such a provision passed, this would enable the pharmaceutical companies - either in the United States or in Latin America - to continue prohibiting other manufacturers from producing the generic, and often cheaper, versions of the brand-name drugs, said Javier Sancho from Doctors Without Borders, a nonprofit group that provides aid to people who lack access to health care.

Sancho, who attended the negotiations as a private representative with the Ecuadorean delegation, said the lack of competition would cause prices of medicine to rise. The increase would severely affect health-care efforts in the region, where he said many people suffer from AIDS and malaria and other tropical diseases that require frequent, and often expensive, drugs.

Ecuadorean chief negotiator Cristian Espinosa dismissed the idea of patent extensions as a myth, saying the talks would focus not only on the protection of data, but would seek to ensure that the current levels of competition are maintained.

Regina Vargo, assistant U.S. trade representative for the Americas, spoke of efforts made on all sides to streamline the agreement and remove barriers.

One of the highlights coming out of this round, she said, was the announcement by the Organization of Petroleum Exporting Countries to commit about \$200 million - in cooperation with Citibank - to a lending program for small and midsized enterprises in the Andean nations. The money was not part of the negotiation, however, and was offered in support of the agreement.

This is one of several important components in the countries' efforts to provide help for these groups in their countries, many of which have been marginalized from the general economy, Espinosa said.

It will be no good to gain access to the U.S. market if Peru can't overcome the mechanisms that impede its efforts to fully participate in the global economy, said Pablo de la Flor, the chief Peruvian negotiator.

Tucson was originally scheduled for the second-to-last round of negotiations. In light of the remaining work to be done, two additional rounds were agreed upon - extending the deadline for completion a few months, possibly until April.

The next round is set for Jan. 31 in Colombia - the city to be announced - where one of the issues officials hope to address is intellectual property as it relates to telecommunications and e-commerce.

• Contact reporter Tiana Velez at 434-4083 or tvelez@azstarnet.com.