

# US to Begin Free Trade Talks with Oman

Mon Nov 15, 2004 01:04 PM ET

WASHINGTON (Reuters) - The United States will begin free trade talks with the Gulf states of Oman and the United Arab Emirates, U.S. industry officials said on Monday.

"Securing agreements with Oman and the UAE are logical next steps if the United States is to realize its goal of establishing a regional Middle East Free Trade Area" by 2013, Peter Tichansky, president of the Business Council for International Understanding, said in a statement.

The U.S. Trade Representative's office was expected to make a formal announcement regarding Oman and the UAE later on Monday, industry officials said.

The United States already has free trade pacts with Morocco, Jordan and Israel. Congress is expected to approve a trade pact with Bahrain early next year.

U.S. Trade Representative Robert Zoellick earlier this year identified Oman and the UAE as leading Middle East candidates for free trade pacts.

The UAE, with a population of 2.4 million, is considered the bigger potential market for exports of U.S. goods and services.

Oman and the UAE share a border with each other and with Saudi Arabia, the world's largest oil producer.

Zoellick was scheduled to meet on Monday with Egypt's foreign trade and industry minister.

Many U.S. business groups have been eager for a free trade agreement with Egypt, one of the most populous countries in the Middle East. Bush administration officials have expressed the need for Cairo to move faster on its economic reforms before talks can begin.

© Reuters 2004. All Rights Reserved.