

Colombian Ministers: New Trade Talks Round With US Starts Jan 23

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BOGOTA -- Negotiators from Colombia and Ecuador will meet Jan. 23 with their U.S. counterparts for a new round of free trade talks, Colombian Trade Minister Jorge Humberto Botero told local radio Caracol Tuesday.

Colombia suspended the talks in November, demanding the U.S. soften its position on agriculture and intellectual property rights. However, the trade minister recently said talks would resume this month.

Peru, which had been negotiating alongside Ecuador and Colombia, reached a free trade deal with the U.S. in early December.

Botero said he believes Colombia will reach an agreement with the U.S. despite the still unresolved issues. "My forecast, based on past experiences of other countries, is that we will reach a solution and I hope it will be in the short term," he said. "None of the negotiations carried out by the U.S. ended in a failure. They all were difficult, they all lasted more than originally scheduled, but they all eventually succeeded."

The three Andean nations started free trade talks with the U.S. in May 2004. A deal would replace trade preferences unilaterally granted by Washington in exchange for cooperation in the war on drugs. The trade preferences are scheduled to expire at the end of this year.

Last month, Botero told Dow Jones Newswires a majority of issues in the free trade negotiations with the U.S. have been settled, or are close to being resolved. But the two countries still need to agree on "hypersensitive" issues regarding agriculture and intellectual property rights, he added.

Among other demands, Colombia still seeks protection for its corn, rice and chicken producers from U.S. exports and a wider access to U.S. markets for Colombian sugar producers. Colombia's government is also fighting to keep intellectual property rights on

medicines valid for a smaller number of years to reduce the royalties paid to foreign pharmaceutical companies.

Colombian President Alvaro Uribe and Ecuadorean President Alfredo Palacio will meet next week in Bogota to discuss and coordinate their countries' respective positions.

Botero said both countries probably won't have a common position on everything.

"It seems we are closer to a deal than Ecuador," he said. "I cannot tell you now what the results of the conversation with Ecuador next week will be, but ultimately it is normal that we separate at some point because part of the negotiation (with the U.S.) is bilateral," he explained.

Even though the general clauses of the agreement will be common to both countries, the schedules for removing trade protection measures such as quotas and tariffs will be different for each country, he said.

Excluding the North American Free Trade Agreement, Colombia is the largest purchaser of U.S. agricultural products in the Western Hemisphere.

Peru, Colombia and Ecuador collectively represented a market of \$8.3 billion for U.S. exports in 2004, according to the U.S. Trade Representative's office. The stock of U.S. foreign direct investment in these countries was \$7.7 billion in 2004.