

For Brazil, U.S. Subsidies Are Main Block to FTAA

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Issues related to intellectual property, time periods for authorizing goods to be sold duty-free, and the peculiarities or differences in each country's negotiating approach are the three factors currently blocking the debates on the creation of the Free Trade Area of the Americas (FTAA).

This was the opinion expressed by the director of the Department of International Negotiations of the Brazilian Ministry of Foreign Relations, Régis Arslanian, to the members of the Rio de Janeiro Commercial Association.

According to Arslanian, the 34 countries of the Americas that will comprise the FTAA entrusted the solution of these problems to the co-presidents of the agreement, Brazil and the United States.

He revealed that Brazilian and American representatives have been meeting periodically to remove the impasses in the discussions for the creation of the FTAA, especially where it involves the relationship between Brazil and the United States.

In Arslanian's view, the difficulty observed in respecting each country's feelings makes the negotiation look like a game in which nobody gives way.

The diplomat said that Brazil's biggest problem with the United States is farm subsidies and that the United States' biggest problem with Brazil is the issue of intellectual property.

It was the extension of the original FTAA project to areas outside the economic sphere that led to the problems, Arslanian observed.

Regarding the matter of time frames for the elimination of tariffs, he disclosed that at a recent meeting in Puebla, Mexico, the decision was to divide the goods produced by the FTAA member countries into four groups with different time periods to attain zero-tariff status.

For the first group, this status would be immediate; for the second, the period would be five years; for the third, ten years; and for the fourth, more than ten years.

Arslanian affirmed that, if Brazil accepted everything that was proposed in the FTAA without restrictions or negotiations, the country would have to alter 33 laws and six constitutional amendments.

He also insisted that, until the FTAA becomes a reality, it is important for the countries, including Brazil, to reach bilateral agreements, as the United States just did with Chile.

In his view, these parallel negotiations do not rule out the formation of the common bloc of the Americas.

Brazil is not paralyzed, Arslanian assured. The country is negotiating a free trade agreement with Mexico and will soon begin a second round of negotiations with Canada.

The diplomat made a point of declaring that there is no ideological sentiment in opposition to the United States.

He said that it would be irresponsible to claim that Brazil doesn't need the American market, but he emphasized that Brazil is steadfast in the negotiations and unwilling to yield for as long as the Americans refuse to do so.

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