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NOTIFICATION TO ENTER INTO A FREE TRADE AGREEMENT WITH THE GOVERNMENT OF CHILE

MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

NOTIFICATION THAT THE PRESIDENT INTENDS TO ENTER INTO A FREE TRADE AGREEMENT WITH THE GOVERNMENT OF CHILE



FEBRUARY 4, 2003.—Message and accompanying papers referred to the Committee on Ways and Means and ordered to be printed

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To the Congress of the United States:

In accordance with sections 2103(a)(1) and 2105(a)(1) of the Trade Act of 2002 (the "Trade Act"), I am pleased to notify the Congress of my intent to enter into a Free Trade Agreement (FTA) with the Government of Chile.

The Agreement we have negotiated promotes our commitment to secure a level playing field and to open new opportunities for America's workers, farmers, businesses, and consumers in global trade. The United States is a party to only three out of more than 200 existing FTAs, leaving Americans at a competitive disadvantage in many markets. With the enactment of Trade Promotion Authority; the completion of this Agreement; ongoing global, regional, and bilateral trade negotiations; and the continued support of the Congress, the United States is reasserting leadership in world trade.

United States leadership in promoting trade liberalization advances our national interests. Free trade promotes our values by encouraging openness, the rule of law, and respect for private property. It builds global prosperity and strengthens security. Free trade employs the power of markets to meet the needs of the poor and has helped lift millions of people out of poverty by putting them on the path to prosperity. In the extended campaign against terrorism, free trade can be an economic ally. By helping to create opportunity and hope in poorer societies, open trade counters those who would destroy rather than create.

Securing open access to markets abroad is vital to the strength and continued growth of the U.S. economy. In the previous decade, exports accounted for 25 percent of our growth and currently support the jobs of more than 12 million Americans. In 2001, two-way trade of all goods and services between the United States and Chile totaled $8.5 billion. This Agreement will improve opportunities for U.S. exports, growth, and investment, while also providing increased opportunities for the people of Chile.

In this Agreement, the vast majority of U.S. and Chilean goods will become duty-free immediately. Most remaining tariffs will be eliminated within 4 years and all tariffs and quotas will be eliminated over a 12-year period. Over three-quarters of U.S. farm goods will enter Chile duty-free within 4 years.

The United States is a global leader in services. This Agreement locks in substantial market access across the entire services sector.

Fair treatment of U.S. goods and services is important to increasing market access. This Agreement has, among other provisions, specific and groundbreaking customs procedures and transparency requirements that will promote efficiency and fairness. It also establishes a secure and predictable legal framework for U.S. investors operating in Chile.

This is an agreement for the economy of the 21st century. Inventors, performers, authors, and creative enterprises in the United States and Chile will benefit from enhanced copyright, patent, trademark, trade secret, and other intellectual property rights protection. The Agreement also contains state-of-the-art protections for digital products and electronic commerce.

My Administration is committed to moving forward on multiple fronts to advance environmental protection and worker rights in a credible and responsible manner. This Agreement meets the labor and environmental objectives provided by the Congress in the Trade Act.

In sum, free trade is a fundamental source of America's economic vitality. This Agreement will benefit the U.S. economy through both higher-paying jobs created by exporters and lower prices paid by consumers. It will strengthen U.S. ties with a valued economic partner and promote America's political and security interests in an important region.

As called for by the Trade Act, I am sending this notification at least 90 days in advance of signing the U.S.—Chile FTA. My Administration looks forward to working with the Congress to develop appropriate legislation to approve and implement this Free Trade Agreement.

GEORGE W. BUSH.

THE WHITE HOUSE, *January 29, 2003.*

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