

Statement by Press Secretary Fitzwater on Beneficiary Trade Status for the Central African Republic, Chile, Namibia, and Paraguay *February 4, 1991*

The President today designated four countries as beneficiaries under the Generalized System of Preferences (GSP).

Namibia, which became an independent country on March 21, 1990, is being designated as a GSP beneficiary for the first time; the Central African Republic (CAR), Chile, and Paraguay are being reinstated as beneficiaries. The GSP grants duty-free access to the United States to certain goods from developing countries. The four beneficiary countries can now export more than 4,230 products to the United States duty-free. For the first 11 months of 1990, the CAR exported \$70,519 in GSP eligible products to the United States; Chile, \$131 million; Paraguay, \$21 million; and Namibia, \$903,160.

The CAR, Chile, and Paraguay had been suspended from the GSP program for their failure to provide internationally recognized worker rights, as required by the GSP statute. The Office of the United States Trade Representative (USTR) conducted a review of changes in the countries' laws and practices and determined that the countries now meet the worker rights requirements. Other GSP eligibility criteria include whether countries provide "adequate and effective" protection of intellectual property. The USTR review determined that Chile was making progress in providing improved patent protection.

Note: The related proclamations are listed in Appendix E at the end of this volume.

The President's News Conference *February 5, 1991*

The President. After this statement I'll be glad to take some questions.

This morning, I spoke with President Salinas, and Prime Minister Mulroney of Canada, and together we intend to pursue a trilateral free trade agreement that would link our three economies in bold and far-reaching ways.

Successful conclusion of the free trade agreement will expand market opportunities, increase prosperity, and help our three countries meet the economic challenges of the future. A free trade area encompassing all three countries would create a North American market of 360 million people, with annual production of more than \$6 trillion. This agreement would be a dramatic first step toward the realization of a hemispheric free trade zone stretching from Point Barrow in Alaska to the Straits of Magellan.

I've informed the Congress of this decision and notified them of my intent to use

the fast-track procedure for this North American free trade zone. In cooperation with Mexico and Canada, we will work actively to conclude these negotiations expeditiously.

And I am—let me shift to the budget for a sec—I am very pleased at the generally constructive reception that our budget is receiving and in particular am pleased at the positive receptions that the Governors gave yesterday concerning our budget proposal for transferring 15 billion dollars' worth of government programs to the States—fully funded, I might add.

It will put the States at the forefront of problem-solving and provide the necessary flexibility for administering government programs. And I believe this can open up a whole new era of cooperation as well as State responsibility that can only have a beneficial impact.

This morning I also spoke with President Ozal of Turkey regarding the coalition ef-