Joint Statement of the Third United States-Peru FTA Free Trade Commission Meeting
Washington, D.C.

June 6, 2013

The third meeting of the United States - Peru Free Trade Commission (hereinafter the “Commission”) took place on June 6, 2013 in Washington, D.C. The Commission is responsible for overseeing implementation and further elaboration of the United States-Peru Trade Promotion Agreement (hereinafter the “Agreement”). John Melle, Assistant United States Trade Representative for the Western Hemisphere, led the United States delegation, and Diego Urbina, Director for North America and Europe for the Ministry of Foreign Trade and Tourism (MINCETUR) led the Peruvian delegation. The following Joint Statement highlights the results of the meeting.

Trade and Investment Effects

February 1, 2013 marked the four year anniversary of the Agreement’s entry into force. In 2012, goods trade between the United States and Peru was $15.8 billion in total (two-way), and the outlook for future growth is positive. In the past 3 years, U.S. exports to Peru have increased by 90%, while U.S. imports from Peru have increased by 52%. According to Peruvian trade statistics, Peru experienced a 10% increase in non-traditional exports last year.

The United States and Peru noted that the bilateral relationship has continued to strengthen during the Agreement’s fourth year and that implementation is proceeding well. The Parties agreed to intensify work to ensure the effective implementation of and compliance with the trade in goods and services, labor and environment obligations of the Agreement, and to ensure that the benefits of the Agreement are widely shared and accessible to both Parties. Among the issues discussed were:

Institutional Framework, Committee, Council Meetings

The Commission received reports of the recent meetings of certain committees established under the Agreement including the Working Group on Intellectual Property, the Forest Sector Sub- Committee, the Environmental Affairs Council (EAC), the Environmental Cooperation Commission (ECC), and the Standing Committee on Sanitary and Phytosanitary Measures. The regular meetings of committees established under the Agreement facilitate a productive exchange of information, which is critical to strengthening communication and transparency between the Parties and their respective stakeholders. In this regard, the Commission agreed to consider asking additional groups to meet in the coming year, including the Committee on Textiles and Apparel Trade Matters, the Technical Barriers to Trade Committee, the Labor Affairs Council and the Subcommittee on Small and Medium Enterprises.

Implementation Issues

The United States and Peru discussed the work that is being carried out with respect to implementation of the Annex on Forest Sector Governance, including the development of implementing regulations for its Forestry and Wildlife Law. The Parties also discussed cooperation initiatives under the Environment Chapter and the progress made to establish a
Secretariat for Submissions on Environmental Enforcement Matters during the recent EAC meeting, and committed to finalizing the Secretariat in the near future.

**Decisions by the Commission**

The United States and Peru signed a decision to modify the U.S. Schedule adding the State of Delaware to the Government Procurement Chapter of the Agreement.

The Parties also agreed, at the technical level, to modify the product-specific rules of origin and tariff elimination schedules in order to conform to changes to the Harmonized System 2007 and 2012. The Commission asked that this work be completed by July 2013.

The Commission also agreed to instruct their respective legal groups to finalize their work on the Dispute Settlement Chapter by the end of the year.

**Bilateral Issues**

The Parties shared views about a number of bilateral issues including Peru’s regulations on trade in remanufactured goods; Peru’s government-to-government procurement arrangements; Peru’s interest in regional cumulation with Colombia; Peru’s entrance into the Standards Alliance, a capacity-building initiative of the United States in the Committee on Technical Barriers to Trade at the World Trade Organization; Peru’s interest in further engagement regarding FATCA implementation requirements; the interest of the United States in Peru’s Law to Promote Healthy Eating Among Children; questions from the United States regarding Peru’s Law on Promotion of Non-Traditional Exports; and questions from the United States regarding the protection of encrypted program-carrying satellite signals in Peru.

**Cooperation in other Fora and Trade Negotiations**

The United States and Peru reiterated their commitment to multilateral trade liberalization and exchanged information about their respective bilateral negotiations and agreements, including the status of the Transatlantic Trade and Investment Partnership (TTIP), ongoing work in the Trans-Pacific Partnership (TPP), the Trade in Services Agreement (TISA) at the WTO and work being carried out in the Asia-Pacific Economic Cooperation (APEC) Forum. Peru also provided an update of its work in the Pacific Alliance and the implementation of several bilateral agreements.

The Commission agreed to hold its next meeting in Peru in 2014.