

Original: English

**FTAA - COMMITTEE OF GOVERNMENT REPRESENTATIVES ON THE PARTICIPATION  
 OF CIVIL SOCIETY**

**COVER SHEET**

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ISSUES ADDRESSED (Check all that apply)

Agriculture	Subsidies, Antidumping and Countervailing Duties	
Competition Policy	Civil Society	
Dispute Settlement	Electronic Commerce	
Government Procurement	Smaller Economies	
Intellectual Property Rights	The FTAA Process	
Investment	Other: Institutional Structure / Funding	
Market Access	Formula for the Permanent FTAA Institution	
Services		

EXECUTIVE SUMMARY – 2 pages maximum – (see Open Invitation):

FTAA Participants consider two different approaches to the funding of the permanent FTAA institution and agree that the WTO model represents the most effective and efficient approach.

**Recommendation:** FTAA Participants consider two different approaches to the funding of the permanent FTAA institution and agree that the WTO model represents the most effective and efficient approach.

**Explanation:** When completed, the product of the FTAA negotiations will require some sort of a permanent institutional structure. To date, countries have relied upon an ad hoc structure whose financing is dependent upon a multitude of sources, principally the Tripartite Committee. A more secure and permanent arrangement will have to be incorporated in the institutional and architectural aspects of the final agreement. The United Nations approach apportions costs based on the economic size of the Member State. Calculating for the Western Hemisphere only, the following would represent each FTAA Participating countries GDP as a percentage of the Western Hemisphere total. A nominal “national quota” is also calculated for each \$ one million budgeted for the FTAA institution. The exercise is then repeated, applying the GATT/WTO formula where a Member’s total value of trade becomes the operative principle. In this exercise, total trade is within the Western Hemisphere and provides a broad balance among the countries with respect to the discharge of their responsibility to fund the FTAA institution.

**United Nations Formula - GDP**

	<b>GDP % of WH</b>	<b>Quota per \$1 Million</b>
United States	77.83	\$778,300
Canada	6.77	\$67,700
Brazil	5.54	\$55,400
Mexico	3.22	\$32,200
Argentina	2.52	\$25,200
Venezuela	.83	\$8,300
Colombia	.72	\$7,200
Chile	.62	\$6,200
Peru	.61	\$6,100
Ecuador	.19	\$1,900
Uruguay	.14	\$1,400
Guatemala	.12	\$1,200
Dominican Republic	.09	\$900
Paraguay	.09	\$900
Costa Rica	.09	\$900
El Salvador	.08	\$800
Panama	.08	\$800
Bolivia	.08	\$800
Trinidad & Tobago	.07	\$700
Jamaica	.05	\$500
Honduras	.04	\$400
Bahamas	.03	\$300
Nicaragua	.03	\$300
Barbados	.02	\$200
Haiti	.02	\$200
Guyana	n/a	
Belize	n/a	
Antigua & Barbuda	n/a	
St. Lucia	n/a	
Suriname	n/a	
Grenada	n/a	
St. Vincent & the Grenadines	n/a	
St. Kitts & Nevis	n/a	
Dominica	n/a	

**GATT/WTO Formula Approach**

<b>(trade based)</b>	<b>% of WH trade</b>	<b>Quota per \$1 Million</b>
United States	45.52	\$452,000
Canada	25.98	\$259,800
Mexico	12.46	\$124,600
Brazil	3.98	\$39,000
Venezuela	2.3	\$23,000
Argentina	1.7	\$17,000
Colombia	1.5	\$15,000
Chile	1.3	\$13,000
Peru	0.7	\$7,000
Costa Rica	0.5	\$5,000

Ecuador	0.5	\$5,000
Guatemala	0.5	\$5,000
El Salvador	0.3	\$3,000
Paraguay	0.3	\$3,000
Trinidad & Tobago	0.3	\$3,000
Uruguay	0.2	\$2,000
Dominican Republic	0.2	\$2,000
Jamaica	0.2	\$2,000
Panama	0.2	\$2,000
Honduras	0.1	\$1,000
Bolivia	0.1	\$1,000
Bahamas	0.1	\$1,000
Nicaragua	0.01	\$100
Haiti	0.008	\$80
Guyana	0.005	\$50
Suriname	0.005	\$50
Barbados	0.004	\$40
Belize	0.003	\$30
Dominica	0.002	\$20
St. Vincent & the Grenadines	0.001	\$10
Antigua & Barbuda		\$0.00
St. Lucia		\$0.00
Grenada		\$0.00
St. Kitts & Nevis		\$0.00