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TRADE

CAFTA marks first year with new member

Associated Press

With President Bush's proclamation, the Dominican Republic became the fifth -- and next to last -- nation to join the Central American Free Trade Agreement.

"One must remember that 85 percent of our exports today go to the U.S. market," Dominican President Leonel Fernández said at the meeting with U.S. Ambassador Hans Hertell. "If we had not become a beneficiary state with preferential access to this great market, it would inhibit the growth of the free-trade zones we have in our country."

Thursday's announcement came as Salvadoran and U.S. officials celebrated the first anniversary of CAFTA, saying the accord is boosting economic growth and creating jobs in the region only a year after going into effect. Honduras, Nicaragua and Guatemala have also been approved for entry. Only Costa Rica has yet ratify the agreement.

CAFTA "helped break 10 years of lethargy that was dragging down our economy," said Salvadoran President Tony Saca.

U.S. Assistant Secretary of State Daniel Sullivan called the deal "a cornerstone" of economic opportunities.

But the anniversary drew opponents to the trade and investment accord, who say the deal has only benefited large companies and hurts small business. About 500 people marched to the Supreme Court on Thursday to demand the court declare the accord unconstitutional.

Dominican Secretary of State Eddy Martinez echoed the sentiments from El Salvador, predicting jumps in foreign investment and rising exports of agro-industrial products and manufactured goods.

Thursday's announcement came 14 months after CAFTA was supposed to take effect in this Caribbean country of 9 million people.

The Dominican Republic's entry was held up while lawmakers revised intellectual property laws governing the pharmaceutical industry and handled disagreements over fuel transportation rights to meet U.S. conditions.

Miami Herald staff writer Jane Bussey contributed to this report.