

# Bush leaves Peru without date for trade deal

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By Doug Palmer

LIMA, Nov 23 (Reuters) - U.S. President George W. Bush left Peru on Sunday without nailing down a clear date for when a U.S. free trade agreement with the Andean country would finally go into effect.

Bush discussed the pact, which the United States first proposed to negotiate in November 2003, on Sunday with Peruvian President Alan Garcia, who hosted Asia-Pacific leaders this weekend for their annual summit.

Leaders from the two countries signed the deal last year after winning legislative approvals, though implementation has hinged on Peru passing dozens of laws to bring its regulatory standards into compliance with the pact. Peru has so far issued at least 99 laws.

But after the Bush-Garcia meeting, U.S. trade officials said they still could not say for certain if the agreement would go into force by the goal of Jan. 1.

"We aren't being difficult or coy but it will be done when the outstanding issues are complete," Sean Spicer, a spokesman for U.S. Trade Representative Susan Schwab, said in an email.

Bush told business executives in a speech on Saturday he expected the agreement to be implemented "soon."

Labor, environmental and development groups have urged the Bush administration not to bring the agreement into force until Peru fulfills all of its obligation under a May 10, 2007 deal between the Congress and the White House.

In the meantime, Peru has begun looking across the Pacific to expand trade ties. Garcia and South Korean President Lee Myung-bak said on Friday they planned to negotiate a free trade pact, and another deal between the Peru and China is expected to go into force in the second half of 2009.

The United States and Peru signed the free trade deal in April 2006 after nearly two years of intense negotiations that often seemed on the verge of collapse.

But when U.S. Republicans lost control of the Congress in Nov. 2006, Bush was forced to renegotiate the trade pact with Peru -- as well as three others with Colombia, South Korea and Panama -- to include stronger labor and environmental provisions long demanded by Democrats.

The May 10th deal also required Peru to amend its forestry law to strengthen protections against illegal logging of endangered tree species, such as mahogany, and to make changes to its patent regime to ensure access to affordable medicines.

(Editing by Terry Wade and Cynthia Osterman)