

examination being conducted by the Technical Committee on Rules of Origin under the auspices of the World Customs Organization in Brussels, with a view to completing the negotiations as soon as possible.

Trade Facilitation

In 1996, WTO Trade Ministers "directed the Council for Trade in Goods to undertake exploratory and analytical work, drawing on the work of other relevant international organizations, on the simplification of trade procedures in order to assess the scope for WTO rules in this area". In pursuing the work, WTO Members have compiled a comprehensive inventory of the work accomplished or being undertaken on trade facilitation in other international organizations, including non-governmental organizations.

In 1998, a WTO Trade Facilitation Symposium was held to "help identify the main areas where traders face obstacles when moving goods across borders". The symposium provided an opportunity for government trade policy officials to exchange views with private sector traders who sent a clear message that the WTO should play a key role in this area, both in terms of ensuring the full implementation of existing WTO obligations related to trade facilitation and in terms of expanding existing rules and developing rules in new areas.

Canada agrees on the importance of ensuring the full implementation of existing WTO obligations that facilitate trade (e.g., the Customs Valuation and the Rules of Origin agreements). The development of WTO rules on trade facilitation could provide significant benefits. WTO provisions designed to further simplify and clarify trade procedures can result in cost savings for both importers and exporters, contribute to cost-savings and increased revenues for governments, provide easier access to world markets for traders, particularly small and medium sized businesses, promote increased investment, and benefit consumers everywhere.

During exploratory and analytical discussions, Canada has made some specific and practical suggestions around which WTO trade facilitation provisions might be developed, including areas such as advance rulings, use of risk assessment controls, review and appeal, simplified procedures, and harmonization of import documentation and data. The Canadian

suggestions reflect the view that the WTO should focus on where it can add value, and fill gaps in existing initiatives in other international organizations, as well as building on existing WTO provisions related to trade facilitation. Our proposals are directed towards enhancing transparency and certainty for traders and to expediting the flow of goods across borders while maintaining effective compliance with trade and domestic regulations. The Canadian objective is to facilitate trade in a practical manner that is meaningful to traders.

IMPROVING ACCESS FOR TRADE IN SERVICES

Annual global trade in commercial services is approximately US\$1.3 trillion. The WTO's General Agreement on Trade in Services (GATS) represents the first multilateral, legally enforceable framework of rules governing this huge area of trade and has been in effect since the WTO entered into force in 1995.

Under the GATS, WTO Members are to begin by January 2000 further comprehensive negotiations on trade in services, aimed at achieving progressively higher levels of liberalization. In preparation for the negotiations, WTO Members, and Canada in particular, have embarked on an exercise of private sector consultation and education with a view to identifying negotiating interests and objectives for these negotiations. It is expected that the WTO Services Council will turn its attention to developing negotiating guidelines and procedures in mid 1999.

In preparing for these negotiations, Canada will determine domestic interests and establish negotiation priorities in consultation with Canadian industry, provincial governments and other stakeholders. Issues for consideration include sectors of export interest to Canadian industry; markets of interest to Canadian industry; current or potential barriers faced by Canadian industry in providing services to foreign markets or consumers; improving access to countries that are key export destinations for Canadian services; and providing Canadians with access to quality services at a competitive price. In addition, Canada is committed to improving the Agreement's transparency and clarity for the business community, to make it more "user-friendly".