

## Backgrounder

### **NAFTA FREE TRADE COMMISSION INAUGURAL MEETING**

#### **NAFTA Free Trade Commission**

The Free Trade Commission, comprising cabinet-level officials, is the NAFTA's governing body and central institution. Regular meetings are to be held annually, although the day-to-day work of the Commission will be carried out by officials of the three governments participating in various committees and working groups mandated by the NAFTA, operating on the basis of consensus.

#### **Working Groups on Subsidies/Countervailing Duties and Antidumping**

Canada, the United States and Mexico have agreed to seek solutions that will reduce the possibility of trade disputes concerning the issues of subsidies, dumping, and the operation of trade remedy laws concerning such practices. On December 2, 1993, the three countries announced the establishment of two trilateral working groups on subsidies/countervailing duties and antidumping to resolve these problems.

The working groups will build upon the clear set of rules on subsidies and countervailing duties achieved in the Uruguay Round of the General Agreement on Tariffs and Trade and on experience in regard to these issues. The groups will continue efforts begun in 1989 by a working group convened under Article 1907 of the Canada-U.S. Free Trade Agreement (FTA). They are to complete their work by December 31, 1995.

#### **Accession Process**

The Government of Canada will actively promote the broadest possible scope for global economic co-operation in order to improve the fairness, openness and predictability of world trade. Improvements in international trade rules are vital to Canada's future prosperity and remain fundamental objectives of Canadian policy.

The Government will, therefore, continue actively to pursue a better trading framework at every appropriate opportunity, including the expansion of the NAFTA free-trade area. Canada will encourage and welcome the accession of NAFTA countries that share as mutual objectives the expansion and enhancement of the NAFTA benefits.