

On August 19, 1999, the Government announced Canada's initial negotiating position on agriculture. Canada is seeking the elimination of export subsidies as quickly as possible, as well as maximum reductions in production- and trade-distorting domestic support. Specifically, Canada seeks an overall limit on all types of domestic support as well as substantial improvements in market access for all agricultural and food products. Canada remains committed to maintaining orderly marketing systems, such as supply management and the Canadian Wheat Board. Canada will seek to establish a working party on biotechnology to investigate the adequacy of WTO rules in this area.

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In addition to welcoming the new negotiations, Canada agrees with recommendation 12 that WTO Members must live up to all of their current WTO obligations. WTO Members have, with very few exceptions, met their commitments under the Agreement on Agriculture, but complete compliance is necessary. Canada will continue to use existing WTO mechanisms, including consultations and dispute settlement, to ensure that other Members comply with their obligations.

Existing WTO commitments permit countries to use relatively high levels of domestic support and export subsidies. In some areas, the negotiations leading to the WTO Agreement on Agriculture used guidelines for establishing access commitments, rather than binding rules. This has resulted in differences between countries and between commodities in terms of the level of access provided. It is Canada's objective to level the international playing field in terms of market access, to eliminate export subsidies, and to reduce trade-distorting support. Where inequities exist, we will be working towards their elimination. The Government agrees with recommendation 13 that new trade rules must be clear and transparent, and must apply equally to all WTO Members. In this regard, Canada has been a strong advocate of increased transparency generally in all WTO operations.

A key priority of the Government's initial negotiating position is achieving substantial improvements in market access for our agriculture and agri-food producers. It is important to expand export opportunities for value-added products in order to build on our successes in the North American market and to increase global