



to these ends. Canada is an active participant in the ongoing work program following completion of the TBT triennial review in 1997, focussing on practical issues of direct interest to Canadian exporters. Canada also participates in the activities of the International Standardization Organization (ISO) more particularly in the fields of management system standards. Canada was among the first countries to have to develop the necessary infrastructure for Canadian industries to adopt ISO 14000 environmental system standards, thus facilitating our exports by meeting foreign customers' requirements.

### **Sanitary and Phytosanitary Measures**

The *WTO Agreement on the Application of Sanitary and Phytosanitary (SPS) Measures* recognizes the right of members to take SPS measures necessary for the protection of human, animal or plant life or health, and sets out disciplines designed to prevent the misuse of SPS measures as disguised barriers to trade. The WTO Committee on Sanitary and Phytosanitary Measures facilitates the enhancement of food safety and SPS conditions internationally, promotes the harmonization and equivalence of SPS measures, and facilitates technical cooperation and consultations. The Committee is currently completing its first review of the operation and implementation of the Agreement.

Since the implementation of the Agreement, Canada has on several occasions used the WTO dispute settlement provisions to challenge the legitimacy of SPS measures taken by our trading partners. Canada held WTO consultations with Korea regarding Canadian bottled water exports, which resulted in a bilateral settlement, has pursued WTO panels with the European Union on Canadian beef exports and with Australia on Canadian salmon exports, and has held WTO consultations with the European Union on Canadian lumber exports. On November 6, 1998, the WTO Dispute Settlement Body adopted the Panel and Appellate Body reports which found Australia's ban on Canadian fresh, chilled, and frozen salmon to be inconsistent with Australia's SPS obligations. Canada will continue to challenge foreign SPS measures which unjustifiably discriminate against our exports.

### **Trade Remedies**

Canada continues to regard the pursuit of improved disciplines, transparency and clarity in the use of trade remedy measures by its trading partners as a priority. The importance of this objective is evident as new and non-traditional users of trade remedies continue to initiate investigations. For instance, over the past year, anti-dumping investigations by Indonesia and India on imports of Canadian newsprint were concluded without the application of additional duties while an investigation by China on the same product continued. In 1999, Canada will continue to monitor, and assist Canadian exporters involved in, investigations of Canadian exports, analyze changes in the trade remedy laws and practices of Canada's most important trading partners, and make representations as appropriate in specific investigations.

Canada continues to contribute to the work of the WTO Committees on Subsidies, Anti-Dumping Practices, and Safeguards, to ensure that all Members administer their trade remedy laws in a WTO-consistent manner. Canada continues to work in the context of the *WTO Agreement on Subsidies and Countervailing Measures* as well as the Committee on Agriculture to ensure appropriate implementation and possible expansion of the subsidy disciplines negotiated in the Uruguay Round. Canada will continue to work to ensure that implementation of Members' export subsidy commitments are not undertaken in such a way that is trade distorting, particularly for price sensitive commodities.

### **Rules of Origin**

The *WTO Agreement on Rules of Origin* established a work program to develop common rules of origin for several purposes involving non-preferential trade. Canada's objective continues to be the achievement of common rules to provide greater transparency and certainty for traders, to prevent countries from using origin rules to impair market access, and to have rules that are technically proficient, reflecting the global nature of production and sourcing of goods and materials.

Although the work program was slated for completion in July 1998, the technical complexity of agreeing on rules for all products was such that the work program has been extended. WTO Members will review in June 1999 the scheduled completion of the technical