

and quality control systems in processing plants. This may result in preferred status entry for products meeting the established criteria. As well, joint training initiatives have been undertaken in Quality Management Programs and sensory evaluation workshops.

The five TWGs on Veterinary Drugs and Medicated Feeds have made significant progress in many areas:

- 1) The Drug Residues Working Group has harmonized tolerances for 38 drugs which were added to Table III of the Canadian Food and Drug Regulation on September 29, 1990. Discussions planned for March, 1991 will examine tolerances for 30 more drugs.
- 2) The Analytical Methods Working Group has agreed on a preliminary draft protocol for the validation of residue methods by three to five participating laboratories. Agreement has been reached on dispute resolution procedures.
- 3) The Feed Mill Inspections and Good Manufacturing Practices (GMP's) Working Group has harmonized U.S. and Canadian requirements for medicated feeds. The Canadian Feed Industry Association has been consulted and compliance standards were discussed with their representatives in January 1991. Memoranda of Understanding are being developed for the exchange of information between Health and Welfare, Agriculture Canada and the U.S. Food and Drug Administration.
- 4) The Animal Feeds Working Group has requested representation from the New Animal Drug Division of the U.S. Centre for Veterinary Medicine to complement their representatives from the Animal Feeds Division in order to harmonize divergent claims and indications for similar products sold in both countries.
- 5) The Veterinary Drug Labelling Working group has unfortunately reached an impasse due to major differences in the U.S. and Canadian labelling requirements.

Under the auspices of Article 709, Minister of Agriculture Mazankowski and U.S. Secretary of Agriculture Yeutter held a meeting on June 11, 1990 to discuss bilateral and multilateral agricultural trade issues.

1.5 Chapter 8: Alcoholic Beverages

The implementation of this chapter has continued in accordance with the schedules set out under Chapter 8 of the FTA, with the provinces reducing their differential markups on wine.