

and aerospace products. Canadian suppliers' access to the Chinese Taipei market for automobiles remains favourable, as Chinese Taipei proceeds with the liberalization of its import regime in this sector.

Access has also improved for a range of agricultural, agri-food and fish and seafood products, including gains in areas like meat products, grains, oilseeds and processed foods. Accession means equitable and more open access for suppliers of canola oil and beef. The dismantling of earlier import prohibitions on products such as meat offal and several fish products, including mackerel sardines and herring, was begun before accession and has now been fully implemented.

In services, Chinese Taipei included commitments in areas of prime interest to Canada, including financial services, basic and advanced telecommunications services and professional services.

Chinese Taipei has also applied to join the WTO Agreement on Government Procurement, and has agreed to market access concessions in the Agreement for some key sectors of interest to Canada. Chinese Taipei has also granted assurance that public tendering procedures will be fair and transparent and that a mechanism will exist for suppliers to challenge the consistency of procurement actions with the agreement.

#### **Canada's Market Access Priorities for 2002**

- Monitor Chinese Taipei's compliance with its WTO accession commitments, as they affect access for products of interest to Canadian firms.
- Encourage the accession of Chinese Taipei to the WTO Agreement on Government Procurement.
- Continue technical discussions with Chinese Taipei authorities on seed potatoes and greenhouse vegetables.
- Continue to press Chinese Taipei authorities to provide a prescriptive building code on softwood lumber.
- Continue to press Chinese Taipei authorities to recognize the equivalency of Canadian and U.S. quality control regimes on medical devices.
- Continue to press Chinese Taipei to be notified in advance of any changes in its regulations affecting agricultural trade on regulatory changes in agriculture.

## **IMPROVING ACCESS FOR TRADE IN GOODS**

### **Beef**

The long-standing discriminatory tariff treatment of some grades of high-quality beef from Canada compared to equivalent grades from the United States will be phased out as a result of Chinese Taipei's accession to the WTO. Currently, only certain cuts of Canada Prime and Canada AAA beef attract the Special Quality Beef preferential tariff rates that Chinese Taipei applies to all U.S. high-quality beef (U.S. Department of Agriculture prime and choice). The Special Quality Beef preferential tariff will be phased out by 2004, at which point all beef imports will receive the same tariff treatment.

### **Meat Quotas**

In mid-1999, as a pre-accession concession, Chinese Taipei implemented MFN quotas on imports of several meat products that had previously been banned, such as beef offal, pork offal and pork belly. As of its WTO accession, Chinese Taipei removed the quota on beef offal, replacing it with a tariff only, and introduced a new TRQ system for certain pork and other meat products. Access for Canadian suppliers under these TRQs is being monitored for compliance with Chinese Taipei's market access undertakings.

### **Greenhouse Vegetables**

In its efforts to develop export markets, the Canadian greenhouse vegetable industry has indicated that Chinese Taipei is a priority market. Canada is seeking access to the Chinese Taipei market for greenhouse grown peppers and tomatoes from British Columbia. Canada has proposed that a technical working group be formed to discuss and work on these and other issues. Chinese Taipei continues to restrict tomatoes unless they can be certified that they originate from an area free from potato late blight type A-2, to which tomatoes are susceptible. Although the A-2 mating type of the late blight fungus has been reported to be worldwide in distribution, Chinese Taipei continues to insist that tomatoes originate from an area free from the pest. Canada maintains that certification that the fruit is free from A-2 late blight is sufficient. Canada will continue to pursue this issue with Chinese Taipei.