

Another tool to enhance the potential for Canadian exports of professional services is the facilitation of MRA negotiations between Canadian and foreign professional bodies. As an example, 1999 marked the successful conclusion of an important MRA between the Canadian Council of Professional Engineers and the equivalent organization from France. The Government will continue to promote and support the negotiation of such agreements.

ISSUES THAT AFFECT ACCESS FOR TRADE IN GOODS AND SERVICES

Government Procurement

To take advantage of the significant potential for international trade represented by the hundreds of billions of dollars spent annually on government procurement worldwide, Canada has pursued market access in a number of fora. Increased sectoral coverage and a reduction of discriminatory barriers in the United States and other key markets would create significant opportunities for Canadian exporters. To increase opportunities, Canada supports a range of activities to broaden and strengthen government-procurement disciplines and to ensure effective implementation of existing disciplines.

Canada, along with 25 other countries, is party to the WTO Agreement on Government Procurement (AGP), which provides the basis for guaranteed access for Canadian suppliers to the markets of the United States, the European Union, Japan and other key markets. The North American Free Trade Agreement (NAFTA) provides further access for Canadian exporters to U.S. and Mexican government procurement.

Canada continues to pursue greater and more secure market access through the AGP. The review of the AGP, with its mandate to expand coverage, eliminate discriminatory provisions and simplify the agreement remains a priority. Work is continuing with input from provinces and other stakeholders to establish Canada's priorities for further market opening. In 1999, Canada and other APEC countries finalized non-binding procurement principles. We continue to work with our EU and EFTA counterparts to make progress in removing barriers to

selling to governments worldwide and are taking an active role in the FTAA government-procurement negotiations.

Electronic Commerce

The use of e-commerce may be one of the most important factors in the expansion of trade flows in the 21st Century. Both the WTO and the FTAA have been conducting work programs to examine the trade-related aspects of e-commerce. The WTO work program has provided some useful clarification of the manner in which the WTO agreements apply to e-commerce transactions. However, additional work remains in this regard. The FTAA Joint Government-Private Sector Committee of Experts on Electronic Commerce has brought together government and private-sector representatives of countries at many different levels of development with respect to e-commerce. As work progresses within these and other fora, such as the World Intellectual Property Organization (WIPO), the Government will consult with Canadians on the development of a trade policy to facilitate global e-commerce. Canada is particularly interested in identifying and resolving issues requiring action at the governmental and international levels.

Dispute Settlement

The WTO dispute settlement mechanism serves Canada's overall trade interests by contributing to clear trading rules for all Members and by assuring global market access for Canadian goods and services. The Dispute Settlement Understanding (DSU) is an agreement among WTO Members that sets out how disputes are to be resolved. It is rightly viewed as a cornerstone of the WTO because it sets out a fair, effective and credible dispute settlement system that is accessible to all Members. The DSU contains more detailed procedures and timetables than the previous procedure under the General Agreement on Tariffs and Trade (GATT). Another important difference from the GATT procedure is that the country losing a dispute cannot block the adoption of the decision. The Dispute Settlement Body (DSB), which comprises the General Council with a different chairperson, is responsible for administering the DSU.