

- A) They must be prepared to accept entry into the NAFTA on a fully reciprocal basis, as has Mexico. The most likely candidates will be those whose domestic economic and trade policy regimes already enjoy a solid track record.
- B) The most useful candidates should also have a good track record at participating constructively in international rule-setting, especially in the MTN context. Countries which favour reform of the rules on anti-dumping would be particularly interesting from a Canadian perspective.
- C) There should be reasonably important Canadian trade and investment interests directly in play which would be advanced through an accession negotiation.

Chile and Korea meet these three criteria. A broader group could include Australia, Argentina, Colombia and New Zealand. (The politics of managing our relations with the PRC may preclude an approach to Taiwan at this time).

4. AN AGENDA FOR ACTION

Over the next year, a reasonable agenda could comprise the following activities:

- A) Ensuring the full implementation of the NAFTA and its side agreements - there are over two dozen committees and working groups that must become operational, there will be disputes to manage through the mechanisms provided for in Chapters 19 and 20, the listing of non-conforming provincial investment and service-related measures must be completed, and provincial participation in the side agreements must be clarified. Most importantly, the work programme on trade remedy reform should be pursued vigorously.
- B) Ensuring Parliamentary approval and subsequent implementation of the MTN final package.
- C) Proposing an MTN follow-up process associated with the newly created World Trade Organization. It is far too premature to think seriously of launching another trade Round. But we can encourage the international community to begin to sketch out more fully the agenda for such a negotiating process. Drawing on work already underway in the OECD and the GATT, the MTN ministerial meeting scheduled for next April could establish an Eminent Persons' Group (or Wise Person's Group) with the mandate to explore the future directions of trade policy and to report back to governments through the WTO within one year. The report could serve as the basis for beginning an intensive