



## 2 *Getting the International Rules Right — The World Trade Organization (WTO)*

### **CANADA AND THE WORLD TRADE ORGANIZATION**

**T**rade is one of the key engines driving Canada's economy. Our current and future growth and prosperity depends on open world markets and a stable, predictable and transparent trading environment. Opening new markets benefits Canadian agricultural and non-agricultural producers, manufacturers, service providers and exporters. Increased trade means higher productivity and greater access to technology, inputs and funds for investment. For the Canadian public, it means jobs, additional income and access to a wider range of lower-priced goods and services.

Canada's membership in the World Trade Organization (WTO) helps us achieve these benefits. The WTO is a cornerstone of Canadian trade policy and governs our trade relations with the European Union, Japan, other industrialized countries and a host of emerging markets worldwide. It also underpins much of our trade with the United States, our largest trading partner.

At the heart of the multilateral trading system are the WTO agreements, negotiated and signed by members and ratified by their elected representatives. The WTO provides a forum for negotiating trade rights and responsibilities, negotiating market access, monitoring the implementation of obligations and commitments under various agreements, and reviewing members' trade policies and practices. The WTO also offers a state-to-state dispute settlement system, whereby trade disputes are settled based on commonly agreed rules, rather than political or economic might.

### **The Doha Round of Multilateral Trade Negotiations and Canada's Objectives**

In November 2001, WTO trade ministers launched a new round of multilateral trade negotiations, known as the Doha Development Agenda, on a broad range of issues. The agenda included the seven negotiating areas of agricultural trade reform; market access for non-agricultural goods; services; rules for subsidy, anti-dumping and countervailing duty actions; a multilateral registry for wines and spirits; dispute settlement; and certain aspects of trade and the environment. Ministers agreed to conclude the negotiations by January 1, 2005.

Agriculture, market access and development lie at the centre of and are Canada's key objectives for these negotiations. We seek fundamental agricultural trade reform: the elimination of all export subsidies, substantial reductions in trade-distorting domestic support and improved market access for all agricultural and food products. Canada also seeks improved market access in non-agricultural goods and services, as well as greater clarity and improvement in the rules on trade remedy provisions and subsidy disciplines. An ambitious outcome would help us attain these objectives and enable developing countries to better integrate into the global economy and realize the benefits of increased economic growth.

In the other negotiating areas, Canada seeks to conclude negotiations on a multilateral system for the notification and registration of geographical indications that is voluntary, facilitative, simple, cheap to implement and limited to wines and spirits. Such a system could be relatively easily implemented by any