



## 2 *Getting the International Rules Right – The World Trade Organization*

### **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 depend 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 on anti-dumping, countervail and subsidy; a multilateral registry for wines and spirits; dispute settlement; and certain aspects of trade and the environment.

Canada's key objectives in the negotiations include achieving a level playing field for the agri-food sector through elimination of all forms of export subsidies as quickly as possible, the maximum possible reduction of trade-distorting domestic support and substantial improvements in market access for all agriculture and food products. Canada is also seeking enhanced market access for goods and services providers, strengthened rules with respect of trade facilitation, and better integration of developing countries into the world trading system. An ambitious outcome to the Doha negotiations would help us attain these objectives; it would also help developing countries better integrate into the global economy, realize the benefits of increased economic growth and reduce poverty.

On geographical indicators (GIs), Canada is resisting European Union proposals to extend negotiations on GIs beyond the Doha-mandated negotiations on a multilateral system of notification and registration for wines and spirits. On dispute settlement, Canada supports improvements to better protect confidential