

Canada is currently negotiating several other regional/bilateral trade agreements including the Free Trade Area of the Americas, Central America Four and Singapore, which may include temporary entry provisions.

INVESTMENT

WTO ministers were unable to reach consensus on modalities for negotiations on investment at the fifth Ministerial Conference in Cancun in September 2003. Canada continues to believe that for host countries, a framework that enables the cross-border flow of investment would facilitate technology transfer and contribute to economic growth and development. Likewise, investors would benefit from the certainty provided by enhanced rules on transparency and non-discrimination.

COMPETITION POLICY

Canada supports the establishment of a multilateral framework on competition policy, though there was no agreement reached at Cancun to pursue negotiations. Canada believes that a framework for competition policy will ensure that the gains from trade and investment liberalization are not undermined by the anti-competitive behaviour of private actors. By establishing a coherent set of principles for sound competition policy among all members, a multilateral agreement would ensure a competitive environment and a more transparent and predictable climate for foreign trade and investment. An agreement would also contribute to the important objective of building institutional capacity in developing countries.

TRANSPARENCY IN GOVERNMENT PROCUREMENT

WTO ministers were unable to reach consensus on launching negotiations on transparency in government procurement at the fifth Ministerial Conference held in Cancun in September 2003. Canada continues to see value in working toward a multilateral agreement on transparency in government procurement. At the November 2001 WTO Ministerial in Doha, ministers addressed a key concern of developing countries by establishing

that a transparency agreement would not restrict the scope of countries to use domestic preferences in their procurement. Canada's current transparency practices are compatible with the elements under discussion at the WTO. Such an agreement would benefit exporters of goods and services that are seeking opportunities to sell to governments or to subcontract to domestic suppliers. As well, an agreement would benefit member countries by increasing the value received for their procurement expenditures, improving the governance infrastructure and reducing the possibility of corruption.

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 the World Trade Organization. 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 ensure effective implementation of existing commitments.

Canada, along with 27 other countries, is party to the WTO Agreement on Government Procurement (AGP). The AGP provides the basis for guaranteed access for Canadian suppliers to the United States, the European Union, Japan and other key markets. Canada continues to pursue greater and more secure market access through the AGP. A review of the AGP, with a mandate to expand coverage, eliminate discriminatory provisions and simplify the agreement remains a priority. Work is continuing, with input from the provinces and other stakeholders, to establish Canada's priorities for further market access.

DISPUTE SETTLEMENT

The WTO currently has 146 members. Given this large membership, disputes occasionally arise among members over the application of the rules contained in the Agreement Establishing the World Trade Organization. To resolve such disputes, WTO members have agreed to follow an elaborate