



on imports of fresh, chilled and frozen salmon from Canada is expected to be issued by the end of May.

Canada also settled two trade disputes in 1997: in July, regarding Hungarian export subsidies in respect to agricultural products, and in December, regarding India's quantitative restrictions on imports of agricultural, textile and industrial products. One dispute is still at the consultation stage, namely Brazil's export subsidy program (PROEX) as it applies to aircraft.

Canada actively follows the development of trade disputes involving other WTO members, whenever our trade interest or systemic interest in the WTO warrant our intervention. Canada has joined a number of other members' consultations (for example: the EU's complaint about Japanese measures affecting imports of pork; a complaint by the United States about Philippines' measures affecting pork and poultry; Argentina's complaint against the U.S. tariff rate quotas for imports of peanuts). In a few other cases, Canada has reserved third-party rights to present arguments to panels, such as the complaints against Korea and Chile concerning taxes on alcoholic beverages.

DSB members will review the DSU in 1998. This review, which must be completed by January 1999, will allow members to determine whether any improvements or clarifications are required to continue the efficient and effective functioning of the WTO dispute settlement system.

## ACCESSIONS TO THE WTO

The WTO currently has 132 members, and a further 30 countries and customs territories have applied to join. China, Russia, Chinese Taipei (Taiwan), Saudi Arabia, Ukraine, Estonia, Latvia and Lithuania are among the 20 applicants with which active negotiations are under way. As it did last year, Canada will continue in 1998 to take an active role in accession negotiations. Canada supports the expansion of WTO membership for two reasons:

- to secure more open, non-discriminatory access for Canadian exports of goods and services to these markets; and
- to achieve transparent, rules-based trade regimes in additional markets, thus contributing to trade liberalization more broadly.

The negotiations take place on two parallel tracks — multilateral and bilateral. For each accession, a WTO Working Party comprising interested WTO members examines the applicant's trade regime and identifies any reforms that may be required to conform with WTO rules. By participating in Working Party deliberations, Canada satisfies itself that the accession will bring about more predictable, less discretionary trading conditions in the applicant's market.

In bilateral market access negotiations, Canada focusses on obtaining the reduction or elimination of tariffs and NTBs that affect access for goods that are of current or future export interest to Canadian companies. These include agricultural, fish, resource and industrial products. Canada expects applicants to bind their tariff commitments; to provide non-discriminatory access (for example, in the oilseeds sector); and to join the various zero-for-zero and harmonization initiatives developed by WTO members, including the ITA. Similarly, Canada aims at achieving better access in sectors targeted by services firms, by seeking binding commitments in the four "modes" of services trade: cross-border supply of services, consumption abroad, commercial presence and the movement of persons. Accession negotiations offer a unique opportunity to resolve Canadian market access problems in the applicants' markets.

## CAPACITY BUILDING

As part of its commitment to the WTO, Canada recognizes the importance of ensuring that developing countries and economies in transition become fully integrated into the global trading system. Canada works through the WTO, and other organizations such as the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme, the International Trade Centre, the World Bank, the International Monetary Fund and the Commonwealth Secretariat, as well as bilaterally, to provide trade-related technical assistance to developing countries and economies in transition to support the accessions of new members to the WTO and to assist in their integration. Canada focusses on building capacity in both governmental and private sector organizations to create a greater understanding of the multilateral rules and how to implement and benefit from them. Canadian exporters will enjoy more transparent and predictable market access in countries that have fully implemented their WTO obligations and commitments.