Canada and the World Trade Organization

Canada and its G-7 partners place a high priority on an efficient, dynamic and effective rules-based multilateral trade system. The World Trade Organization (WTO) and the pre-eminence of multilateral rules must serve as the framework for all regional initiatives. Canada is pleased that the WTO was launched with the full support of all members. Canada continues to monitor the strict implementation of Uruguay Round commitments and is working to expand WTO membership as quickly as possible, in accordance with WTO rules.

The WTO, based in Geneva, was set up on January 1, 1995, to replace the secretariat of the General Agreement on Tariffs and Trade (GATT). Its role is to help implement the WTO agreement, further its objectives, and administer the many agreements it contains.

The first step in the establishment of the WTO occurred when the Final Act Embodying the Results of the Uruguay Round on Multilateral Trade Negotiations was signed. More than 120 countries participated in the Uruguay Round. All GATT members will become WTO members when they formally accept the WTO agreement. Once non-member countries join, the WTO will cover practically all world trade.

Structure and Process

The WTO is guided by a ministerial conference open to representatives of all WTO members. The conference meets at least once every two years. In the interval, the General Council, which is also open to all WTO members, supervises the work of the different councils and committees. The council also sits as both the Dispute Settlement Body and the Trade Policy Review Body.

The Dispute Settlement Body strengthens and improves the former GATT dispute settlement mechanism. Rules set out a process for timely settlement according to a schedule that includes consultation, establishment of panels, and adoption of panel reports. An important feature of this mechanism is the Appellate Body, which can be asked to review issues of law and legal interpretations covered in panel reports.

The Trade Policy Review Body contributes to the role of the WTO as watchdog over international trade. It examines the trade actions and policies of individual members and keeps them informed of changes in each other's trade policies.

Three sectoral councils were established to oversee the functioning of the agreements: the Council for Trade in Goods, the Council for Trade in Services, and the Council for Trade-Related Aspects of Intellectual Property.