

need to protect privileged trade information. While we support the objectives of transparency that non-state participation promotes, we also have concerns about the impact that these measures could have on the state-to-state character of the WTO's dispute settlement mechanism. To move forward, we will need to clearly define the framework for introducing such steps and assess their potential impacts.

Recommendation 11 raises the issue of the drafting inadequacies of the implementation articles of the DSU. The Government believes that clarification is needed on the relationship between DSU Article 21.5 (which provides for an expedited determination of compliance), Article 22 (which permits a complaining party to retaliate in cases of non-compliance), and Article 23 (which prohibits unilateral action). We view this as a critical priority in the DSU Review and believe that unresolved implementation issues pose grave threats to the WTO. Canada is leading work at the WTO to reach agreement on the fundamental policy objectives of these provisions and amend the text of the DSU accordingly.

Transparency

In its recommendations on institutional transparency, the Committee suggests that there is a need to ensure broader and quicker access to working documents and to improve NGO participation in the work of the WTO. We agree that greater transparency of WTO activities is essential to building and maintaining public support for the multilateral trading system.

Last October, Canada made a formal submission to the WTO General Council with proposals that would make WTO working documents readily available to the public. Support for this initiative is mixed among the WTO Members, with some favouring further restrictions to existing practices. Although Canada continues to pursue improvements in this area, progress is expected to be incremental.

The General Council has provisionally supported a proposal that sets out selection criteria and guidelines for approving requests for observer status from international intergovernmental organizations (IIGOs). This initiative introduces equity and consistency to the selection process and ensures that IIGO interests are considered and