

sector. Finally, all U.S. applications to establish operations in Canada have been subject to review. No changes to this review process are required. U.S. applications will continue to be reviewed on a case-by-case basis to ensure the suitability of the applicant, that it can make a positive contribution to Canada's financial markets, and that prudential concerns are met.

Financial institutions, other than insurance, are not covered by the dispute settlement procedures of the Agreement. Rather, both Parties have agreed to consult and these consultations will take place between the Canadian Department of Finance and the United States Department of the Treasury.

The financial services chapter builds on the federal government's commitment to provide more competition among financial institutions with the resultant benefits to consumers. At the same time, control of our financial system will remain in Canadian hands while a new business opportunity has been opened up for our banks in the U.S.

Part Six Institutional Provisions

Part Six contains both the general dispute settlement provisions and the special arrangements for dealing with antidumping and countervailing duties. In addition, this Part creates the institutional framework for managing and implementing the trade Agreement.

Chapter Eighteen: Institutional Provisions

This chapter establishes the necessary institutional provisions to provide for the joint management of the Agreement and to avoid and settle any disputes between the Parties respecting the interpretation or application of any element of the Agreement. Its essential features are economy, joint decision-making and effective dispute resolution. Its basic objective is to promote fairness, predictability and security by giving each Partner an equal voice in resolving problems through ready access to objective panels to resolve disputes and authoritative interpretations of the Agreement.

To ensure that the Agreement is effectively implemented and enforced, chapter Eighteen provides for: