

XIV. THE WAY AHEAD

The trade liberalizing effect of the Uruguay Round will promote the more efficient allocation and use of resources and thereby contribute to an increase in production and incomes and to a lessening of demands on the environment.

The Uruguay Round negotiations were successful in addressing environmental concerns in several of the new agreements, including those related to agriculture, sanitary and phytosanitary measures, subsidies and standards.

Nevertheless, negotiators have recognized that many trade and environment issues remain unresolved. Consequently, the Trade Negotiations Committee has made a commitment to have a program of work drawn up by April 15, 1994, and to recommend the appropriate institutional structure for its execution, for ministerial approval in Marrakesh. Underlying this commitment are the issues identified for further analysis by the GATT Working Group on Environmental Measures and International Trade that was first convened in November 1991, work envisaged in Article XIV:B of the Services Agreement, and potential issues in relevant TRIPs provisions.

It is expected that the Ministerial Council in Marrakesh will approve the creation of a Committee on Trade and Environment. The Committee's work program will include trade measures for environmental purposes (including those in international environmental agreements), and environmental measures with significant trade effects (including packaging, labelling and recycling programs and environmental taxes). Analysis would focus on the relationship of these measures to trade rules, provisions for transparency and market access issues. Also on the agenda are the issues of trade in domestically prohibited goods and the relationship of the dispute-settlement mechanism in the WTO to those in international environmental agreements.

It is anticipated that the Ministerial Council in Marrakesh, recognizing the urgency of addressing trade and environment issues, will also direct that, pending the first meeting of the General Council of the WTO, the work of the Committee on Trade and Environment should be carried out by a Subcommittee of the Preparatory Committee of the WTO. This will ensure that the work on trade and environment issues can proceed without delay.

The Uruguay Round has advanced the integration of trade and environment concerns. The work program of the World Trade Organization will ensure that progress continues. Future sustainable wealth generation, for Canada and the rest of the world, depends on the integration of environmental priorities into all major economic activities, including the global trading system.