

- Both governments will exclude each other from their respective meat import laws; Canadian import licences for wheat, barley and oats will be eliminated once grain support levels are equivalent in both countries; and Canada will be exempt from any future U.S. quantitative restrictions on products containing 10 per cent or less sugar. There is a special tariff for fresh fruits and vegetables which enables the temporary reimposition of current tariffs under certain circumstances.
- The Agreement retains the Canadian supply management and marketing board system for agricultural products and provides for a slight increase in Canadian import quotas for poultry and eggs. Both countries agree to reduce technical regulations which interfere with trade, while still protecting human, animal and plant health.

Wine and Distilled Spirits

- Canada will eliminate the price mark-up differential between Canadian and U.S. wines over a seven-year period, and immediately for distilled spirits. The Agreement does not apply to current restrictions on beer. The two governments agree to provide national treatment in listing and distribution procedures, with certain exceptions for British Columbia wineries and private wine outlets in B.C. and Ontario. All other price discrimination in Canada and the United States will be eliminated immediately.

Energy

- Both governments agree to prohibit most restrictions on energy exports and imports, subject to existing GATT reasons for which such restrictions may be

applied, including those related to supply or conservation. In the event of short supply export controls, however, the exporting country will provide proportional access to energy commodities and will not discriminate on price.

Automotive Trade

- The Agreement retains the Auto Pact and its safeguards for current participants. Canadian value-added commitments by the Auto Pact manufacturers are not changed by the Agreement and rules of origin in the Agreement encourage the sourcing of more parts in North America.
- Automotive duty waivers and remissions will be phased out, as will the Canadian embargo on used vehicle imports.

Government Procurement

- Canada and the United States agree to expand access of each other's suppliers to purchases by governments at the federal level. Further bilateral negotiations will be resumed once the GATT Code is renegotiated.

Trade in Services

- The Agreement provides a set of disciplines covering a large number of service sectors. Both governments in the future will extend the principles of national treatment, right of commercial presence and right of establishment, consistent with the investment provisions, to each other's providers of services.

Financial Services

- The Agreement preserves the access that Canadian and U.S. financial institutions have to each other's markets and opens