

Under the WTO TBT Agreement, Canada will continue to press for the removal of unnecessary, ineffective or inappropriate regulations, standards and conformity assessment procedures that act as trade barriers in order to help maintain or enhance market access and lower costs to producers and exporters. Recently, for example, Canada has been raising concerns over other countries' proposals for unnecessary or unjustifiable barriers to products derived from biotechnology, as well as over mandatory requirements for non-product-related process and production method labelling. To assist the WTO Committee on Technical Barriers to Trade in addressing labelling issues, Canada has proposed a framework for informal discussions, which covers issues such as policy instruments for labelling, mandatory versus voluntary measures, harmonization and equivalency, and developing country considerations. The document can be found on the WTO Web site (www.wto.org) under its official document number G/TBT/W/174/Rev.1. Further to one of the suggestions in this document, a "Labelling Learning Event" was held by the TBT Committee on October 21 and 22, 2003. The event provided members with a better understanding of the preparation, adoption and application of labelling schemes in the context of the implementation of the TBT Agreement, as well as a better understanding of the impacts of such requirements on trade. Commonalities and differences among labelling schemes were discussed, but no formal conclusions were drawn.

Canada will also work to improve transparency; promote regulatory reform and good regulatory practice by WTO members; align or harmonize standards internationally with trading partners; and, if appropriate, negotiate mutual recognition agreements (MRAs) on conformity assessment. On this point, Canada has developed a policy approach to MRAs that assesses proposals on a case-by-case basis. It includes full consultation with federal and provincial regulatory and trade officials (in their areas of jurisdiction), as well as with stakeholders, including industry. This document is also available on the WTO Web site (www.wto.org) under the official document number G/TBT/W/167.

Canada is an active participant in the ongoing work programs of the TBT Committee and was a full participant in the Third Triennial Review of the

Implementation and Operation of the Agreement on Technical Barriers to Trade conducted in November 2003. Canada's submissions to the Triennial Review included documents on Canadian objectives for the Third Triennial Review, on Canada's approach to voluntary conformity assessment and on Canada's technical assistance and cooperation activities in the TBT field. These documents are also available on the WTO Web site under the following document numbers: G/TBT/W/196, 210 and 202.

Canada endorsed proposals by Committee members to address and strengthen approaches in areas such as transparency in the application of the Agreement; encouraged members to commit to conducting information exchanges on good regulatory practices and to developing a work program aimed at promoting better understanding of members' conformity assessment systems; and urged members to continue work on the provision of technical assistance to developing countries. The full report of the Third Triennial Review is available at the WTO Web site under the document number G/TBT/13.

SANITARY AND PHYTOSANITARY MEASURES

In 2003, the Sanitary and Phytosanitary Measures (SPS) Committee continued to focus on the implementation-related concerns identified by developing countries. In particular, the Committee continued to consider, as a priority, the implementation constraints facing developing countries, including the issue of special and differential (S&D) treatment and technical assistance. In addition, the Committee continued work to clarify how the obligations related to equivalence, regionalization and transparency would be put into practice.

The SPS Committee adopted in principle the Canadian proposal to make the provision of special and differential treatment more transparent, subject to the elaboration of procedures by the Secretariat. However, the Committee was unable to reach consensus on how to implement the proposal, and it is scheduled to reconsider this issue at its first meeting in 2004. In addition, the Committee developed a work plan to consider five S&D treatment proposals referred to it by the Chairman of the General Council. Members were to submit comments on