

MAKING A DIFFERENCE GLOBALLY

PRIORITIES FOR THE GOVERNMENT OF CANADA

Develop new frameworks to promote trade and investment with our mature markets, while reaching out to take advantage of emerging economic giants

Create a level playing field in international trade and investment through active participation in the WTO

KEY INITIATIVES

- Implement the Trade and Investment Enhancement Agreement with the EU
- Establish a new economic framework arrangement between Canada and Japan, with a particular focus on technology
- Explore targeted trade and investment efforts with China and Brazil within the context of regional engagement with Asia and Latin America
- Pursue discussions with South Korea about negotiating a free trade agreement
- Expand on our current relationship with India, specifically in information and communications technology
- Advocate for an ambitious outcome to the Doha Round, seeking fairer rules for farm trade and a more liberal environment for goods and services trade

new Canada-EU Trade and Investment Enhancement Agreement (TIEA) aim to go beyond traditional market access issues by promoting mutual recognition of national standards, professional qualifications and assessment procedures. By achieving regulatory compatibility, the TIEA will allow Canada to better exploit the European Union's advanced science and technology base, in turn enabling further Canadian innovation. It will also raise our visibility in the eyes of European investors, who are second only to Americans in their contributions to our economy and our technological base. A similar strategy can be adopted for Japan. Here our goal is a new Canada-Japan economic framework that highlights mutual opportunities for trade and investment, particularly in technology-intensive industries. By deepening our mature economic relationships through these new arrangements, Canada can build on its successful trade negotiations while increasing bilateral investment.

All of Canada's bilateral trading relationships ultimately rest on the multilateral framework embodied in the World Trade Organization. As Canada's trade agreement with the rest of the world, it offers us several substantial benefits. A global, rules-based system provides traders and investors with predictability and

confidence, and creates a playing field in which relative economic power has diminished importance. Through its web of commitments and rules, enforced by its dispute settlement mechanism, the WTO allows us to leverage global rules to address bilateral disagreements. Finally, the WTO represents one of the key planks in the world's multilateral architecture and a model for how other institutions might evolve. It is broad in membership, liberal in its guiding philosophy and cooperative rather than coercive in its approach to solving problems. While an open world economy is not the only answer to the current challenges of economic stagnation, poverty and underdevelopment, progress is inconceivable without it.

This is why Canada fully supports the WTO as it adapts to the changing global economic context. Achieving a successful outcome to the Doha Round remains an essential first step. A positive outcome in this round would affirm that multilateralism works. Failure would deliver a major blow to the WTO and the global trading system as a whole.

The substance of Doha is also important for Canada. Greater openness in international commerce, through measures that include the end to agricultural export subsidies, is consistent with our interests as well as our values. That said, the Government will vigorously