

The new Korean Chairman of the Canada/Korea Business Council recently predicted a doubling or tripling of Canada/Korea trade by the year 2000. If Canada is to realize an equitable portion of this objective we will have to see a breakthrough in access for agricultural products, and be given a fair chance to compete with American suppliers in the already large Korean agricultural market.

KOREAN POSITION

Overall, Canadian exports have enjoyed tremendous growth over the past several years. Despite strong opposition from its agricultural constituency, the Korean government has announced several tariff reductions and other liberalization measures in the agricultural sector which will be phased-in over the next three years, with further measures likely to come as a result of the current MTN negotiations.

CANADIAN POSITION

Despite the new liberalization policies, several measures (the ban on barley, the lack of recognition of Canada's long-term agricultural credit program) will remain in place. These measures will effectively prevent some of Canada's most important and competitive agricultural products (barley and wheat) from competing for a share of the large, existing agricultural import market in Korea, leaving the field open to US suppliers. Korea must respect its GATT obligations to provide access to its markets on an MFN basis.