



telecommunications products, semiconductors and scientific instruments. Participating economies made their first tariff cuts on July 1, 1997.

The ITA will lead to improved market access, lower prices on inputs for Canadian producers, and growing markets. The Canadian IT sector, which is particularly strong and internationally competitive, will benefit from the ITA. Exports showed a healthy growth from \$9.5 billion in 1992 to approximately \$17 billion in 1997.

Many of Canada's key trading partners are already members of the ITA, such as the United States, the European Union, Japan, Korea, Singapore, Chinese Taipei, Hong Kong, Switzerland, Australia, Malaysia, Thailand and India. In 1998, Canada will seek to broaden membership in the ITA to include major Latin American markets.

In finalizing the ITA, Canada and the other participants agreed to review the Agreement to, among other things, consider including additional products. This review is now under way, and negotiations will take place in the WTO during 1998 with a view to implementing any changes by January 1, 1999. The ITA Committee will also address other issues of concern to the IT sector related to NTBs, in particular in the area of regulatory reform for IT products. In this regard, the ITA Committee is conducting a survey of its members' standards and conformity assessment procedures, and Canada has fully supported this initiative. Canada has also raised the issue of import licensing in the ITA Committee, and intends to pursue this in the future work of the committee.

Further Tariff Liberalization

Canada will continue to press for WTO members to lower tariffs beyond levels agreed in the Uruguay Round in several sectors of importance to Canadian exporters. Priorities include the adoption of zero-for-zero tariff elimination on paper and paper products by additional countries, as well as acceleration of the commitments already agreed; and the establishment of new tariff elimination agreements in oilseeds and oilseed products, wood and wood products, fish and fish products and non-ferrous metals, such as aluminum. In 1998, Canada will participate in the second review aimed at including additional products in the Agreement to Eliminate Duties on Specified Pharmaceutical Products. Canada is also actively involved in preparatory work that would clear the way for any future broader negotiations on market access including tariffs.

At their annual summit meeting in Vancouver in November 1997, APEC members agreed to pursue an ongoing program of voluntary liberalization in 15 sectors with nine priority areas: chemicals, energy sector, environmental goods and services, fish and fish products, forest products, gems and jewellery, medical equipment and instruments, telecommunications equipment and toys. They also agreed to build on APEC's leadership in these sectors as a basis for extending participation beyond the APEC region, and, where appropriate, for incorporation into the WTO. Given the size of their markets, the strong commitment by APEC members to liberalize trade in these sectors will be an important catalyst for further multilateral liberalization at the WTO. Canada attaches considerable importance to the leadership role that APEC plays in this regard and will seek to conclude sectoral agreements in the WTO on many of the sectors identified by APEC, including environmental goods and services, fish and fish products, and forest products.

Agriculture

Canada's long-term objective is to strengthen the rules-based multilateral trading system for agriculture. Common rules that apply to all countries are important to enhance Canada's access to world markets, not only for bulk agricultural commodities, but also for the consumer-oriented and intermediate products that now contribute 40% of our agri-food exports. Through the WTO Committee on Agriculture, Canada works to ensure that market access and other commitments negotiated during the Uruguay Round are fully implemented. During 1998, the Committee will continue the informal process of analysis and information exchange that it began in 1997. This process serves as the preparatory work program toward the start of a new round of multilateral agricultural negotiations in late 1999. The Government is working closely with the provinces and consulting with the agri-food industry to ensure that a full and informed discussion of Canada's interests takes place prior to the start of those negotiations.

Technical Barriers to Trade

Canada's objective is to ensure that standards-related measures, which are generally put in place to protect health, the consumer, or the environment, do not unjustifiably discriminate against Canadian products. Standards-related measures include mandatory