TRADE LAW

The Trade Law Section of the Legal Affairs Bureau provides legal services related to the Canada-U.S. Free Trade Agreement (FTA), the General Agreement on Tariffs and Trade (GATT), and certain aspects of the Multilateral Trade Negotiations (the series of these negotiations currently under way is known as the Uruguay Round). In addition, it handles the legal aspects of bilateral trade and economic cooperation agreements, competition issues and other trade-related matters.

In January 1990, Canada and the United States established a dispute settlement panel under Chapter 18 of the FTA concerning U.S. restrictions on the importation of Canadian lobsters that were smaller than the U.S. minimum size. In its May 1990 report, the panel found that the U.S. restriction on size was an internal measure that applied to domestic and imported products alike and therefore was not a specific restriction to limit imports as Canada had argued. Following unsuccessful efforts to seek a negotiated solution, Canada announced its

decision not to enter into an agreement with the United States concerning Canada-U.S. trade in lobsters. The U.S. has subsequently suspended its increases in minimum lobster sizes.

The Trade Law Section provided advice with respect to the conclusion of a number of bilateral trade and economic cooperation agreements and memoranda of understanding notably with several Latin American and Eastern European countries. The Section also provided legal advice relating to the arbitration of Canada's GATT rights under a 1962 Wheat Agreement with the European Community, as well as with respect to a number of trade disputes in the GATT in which Canada had an interest.

The Trade Law Section was also involved in the negotiation groups of the Uruguay Round of Multilateral Trade Negotiations, dealing with safeguards, GATT articles, the creation of a new World Trade Organization and the improvement of the dispute settlement mechanism.

ENVIRONMENTAL LAW

Canada actively supports the development and codification of international law concerning the environment by participating in a wide number of bilateral, regional and multilateral forums, and by becoming a party to the legal instruments resulting from such cooperation.

The Legal Affairs Bureau took part in the negotiations which, on March 13, 1991, led to the signature of the Air Quality Agreement with the United States. The Agreement includes concrete measures to combat acid rain and provides a global framework to deal with the issue of atmospheric pollution between the two countries.

Legal Affairs was involved in the negotiations for a framework agreement on climate change, after helping, with Malta and the United Kingdom, to prepare the legal measures text for the Intergovernmental Panel on Climate Change; and in the negotiations for a convention on the preservation of biological diversity.

The Bureau represented Canada at the ad hoc legal task force under the auspices of the London Convention on the Dumping of Wastes. It also participated in discussions to identify possible elements

for a protocol on liability under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal. The Bureau took part in the negotiations leading to the adoption of a convention on preparing for oil pollution incidents and cooperating to prevent their occurrence.

In June, the Bureau was involved in the Second Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, Canada having been the only country to ratify the amendments at the Meeting itself.

Within the Economic Commission for Europe, the Bureau contributed to the adoption of a protocol on volatile organic compounds under the Convention on Long-Range Transboundary Atmospheric Pollution and to conventions concerning the transboundary impact of industrial accidents and the protection and use of transboundary watercourses and international lakes.

Finally, the Bureau was actively involved in preparing a strategy for environmental protection in the Arctic and in negotiating an environmental protection protocol for the Antarctic.