

rity. At the same time, new rules have the potential to reduce the costs of doing business by facilitating access to information regarding countries' customs regulations and procedures while reducing "red tape" at borders. Progress on these issues would especially benefit small and medium-sized companies, for whom such costs can be particularly burdensome.

The WTO's focus on trade facilitation has already served to raise the significance of the issue on the agenda of WTO members. A wide variety of international financial institutions, donors, United Nations agencies, the World Customs Organization and non-governmental organizations are demonstrating renewed interest in supporting programs that facilitate trade and in the implementation of practical solutions. Canada actively supports efforts on technical assistance and capacity building that help developing countries meet higher standards of border management.

The Government of Canada is hopeful that the many benefits of trade facilitation, widely recognized both within and outside the WTO, will bring forth the necessary political will to make progress in this area. It will continue its efforts in support of a positive outcome in these negotiations.

Improving Access for Trade in Services

NEGOTIATION IN THE GENERAL AGREEMENT ON TRADE IN SERVICES

The service sector is leading Canada's transformation to a knowledge-based economy. As a significant exporter of services, Canada relies on multilateral, legally enforceable rules on trade in services. These rules help ensure that Canadian exporters receive fair and equitable treatment in foreign markets. The ongoing services negotiations at the World Trade Organization are thus important for Canada, promising to open up new markets to Canadian entrepreneurship, innovation and know-how.

Canada is pursuing multilateral, legally enforceable rules that will allow increased access to foreign markets for Canadian services firms, and it is working

collectively with other WTO members to further enhance regulatory transparency. Issues for consideration during the talks include sectors of export interest to Canadian industry, current or potential barriers faced by Canadian industry in providing services to foreign markets or consumers, improving access to countries that are key export destinations for Canadian services providers, and providing Canadians with access to quality services at a competitive price.

The current round of negotiations started in January 2000, as required by the GATS (established as part of the WTO agreements in 1995). At the Ministerial Conference in Doha in November 2001, WTO members set two key negotiating deadlines: June 30, 2002, for submission of each country's initial requests to other countries, stating areas of interest for market access commitments; and March 31, 2003, for submission of each country's offer to open specific sectors. On August 1, 2004, members agreed to table revised offers by May 2005.

Canada presented its initial requests and its initial offer to other WTO members by the agreed deadlines. A description of the initial market access requests that Canada made of other countries as well as the full text of the initial conditional offer are available on-line (www.international.gc.ca/tna-nac/TS/gats-negotiations-en.asp). The requests sought greater market access in 12 sectors of key interest where there is considerable economic opportunity for Canadian services providers, including providers of professional, business, financial, telecommunications, computer and environmental services.

Canada was the first country to commit to making its offer public, and it is pleased that other WTO members have done so as well. Canada's initial offer contains the proposed guarantees of market access and non-discrimination that it would offer to other countries in exchange for greater access to foreign services markets. Canada proposed making increased market access commitments in financial services; business services (including accounting, legal, architectural, engineering, real estate, and management consulting); communications services (courier services); construction services; distribution services; tourism and travel-related services; and transport services. In addition, Canada offered to improve its horizontal commitments on the movement of natural persons (Mode 4).