

Tariff Liberalization of Pharmaceutical Products

In 1999, Canada and the other members of the WTO Agreement to Eliminate Duties on Specified Pharmaceutical Products implemented the third tranche of tariff cuts associated with this agreement. This phase included 639 additional products, including inputs.

Agriculture

Global annual trade for agricultural products is in the order of US\$500 billion. Canada strives to ensure that market access and other commitments negotiated during the Uruguay Round are fully implemented through our participation in the notification and consultation process of the WTO's Committee on Agriculture. This process will continue throughout 2000. Canada's long-term objective is to strengthen the rules-based multilateral trading system for agriculture and thereby increase the market orientation in agricultural trade. 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, respectively, 39 percent and 26 percent of our agri-food exports.

Although the Third WTO Ministerial Conference in Seattle did not launch a broad-based round of multilateral trade negotiations, the existing Uruguay Round Agreement on Agriculture provided a mandate (so-called "Built-in Agenda") for WTO members to commence agricultural negotiations, which began in January 2000. In these negotiations, Canada continues to pursue the objectives in the initial negotiating position announced on August 19, 1999 by Minister Pettigrew and Agriculture and Agri-Food Minister Lyle Vanclief. The key features of this position are as follows:

- the elimination of all export subsidies as quickly as possible;
- maximum possible reductions in trade-distorting domestic supports and an overall cap on all forms of domestic support;
- substantial improvements in market access for all agriculture and value-added agri-food products through tariff reductions and harmonization, tariff quota expansion and the elimination of in-quota tariffs;

- maintenance of Canada's ability to continue orderly domestic marketing (e.g. Canadian Wheat Board, supply management);
- securing new disciplines on export taxes and export restrictions; and
- support the establishment of a WTO working party on biotechnology to determine the adequacy of existing rules and to secure improvements in SPS disciplines.

Canada's initial position was developed through an extensive consultation process with the provinces, the agri-food industry and civil society. As events unfold in Geneva, the Government looks forward to continuing this dialogue with Canadians.

Technical Barriers to Trade

Canada's objective is to ensure that standards-related measures, which are generally put in place to protect health and safety, the consumer or the environment, are science-based and do not unjustifiably discriminate against Canadian products. Such measures include mandatory technical regulations, voluntary standards and conformity-assessment procedures that determine whether a product meets the requirements of a particular regulation or standard.

Throughout the country chapters of this document, we will describe specific measures by individual countries that affect Canadian exports. We will also outline what the Canadian government is doing to address such measures.

The WTO Agreement on Technical Barriers to Trade (TBT) defines the international rights and obligations of Members with respect to the development and application of standards-related measures that affect trade. The agreement is based on the principle that countries have the right to adopt and apply mandatory standards-related measures (i.e. to regulate), as long as these do not restrict international trade more than is necessary. TBT-related disagreements are subject to WTO dispute settlement provisions.

Canada promotes wide acceptance of and adherence to the TBT Agreement and Code of Good Practice (which applies to voluntary standards), as demonstrated by the Standards Council of Canada's acceptance of the code. Canada also participates