

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Trade and Development

Communication from Canada

The following communication, dated 1 October 1999, has been received from the Permanent Mission of Canada.

1. Canada has reflected carefully on the concerns raised over the past year by developing countries. We agree with them on the importance of all developed and developing countries participating fully in the benefits and obligations of the WTO. We also agree that new negotiations should address the challenges facing developing countries in adjusting to an enhanced multilateral trading system. The Seattle agenda will indeed need to pay particular attention to the interests of developing countries.

2. We intend to table a proposal on coherence that will outline international institutional strategies for addressing some of the concerns of developing countries. Other suggestions for national, regional and international action are addressed below.

3. Canada recognises that a positive outcome for developing countries on market access in industrial goods, agriculture and services will be critical if these countries are to view the round as a success. Consequently, market access issues must be open for negotiation, including those of particular concern to developing countries. Enhanced market access for goods of the least developed merits the urgent consideration already called for by others. We encourage all WTO Members, including the more advanced developing countries, to do their share with regard to access for the exports of least-developed countries.

4. Canada believes that trade facilitation should complement negotiations on improved market access. WTO provisions designed to simplify and clarify trade procedures can benefit all Members, particularly developing countries. They help to provide easier access to world markets, in particular for small and medium-sized enterprises and for small and medium-sized countries. They also result in direct cost savings for importers and exporters, promote increased investment, contribute to capacity building, and generate both cost savings and increased revenues for governments. Finally, they benefit consumers everywhere. Canada believes that the WTO's trade facilitation agenda should be supported by technical assistance and capacity-building.

5. There have been extensive discussions on special and differential (S and D) measures and on the special needs and circumstances that may warrant such differential measures. In Canada's view, the critical issue is to arrive at a common understanding of how these might be translated into development-enhancing provisions. It is becoming increasingly clear that S and D will be most useful

where it enables countries to adjust to international trade and experience economic growth. Mutual advantage can best be achieved when all WTO Members assume the same level of commitment; paths may in certain special cases diverge, but all should have the same final destination - that of a single class of membership. In the meantime, differential measures should be viewed in the context of building capacity and facilitating implementation.

6. Trade-related technical assistance (TRTA) is an essential tool in helping developing countries achieve the goal of their full integration into the multilateral trading system. Canada continues to give priority to the implementation of the Integrated Framework (IF) as a demand-driven and integrated approach to TRTA, and thus is helping fund the organisation of some of the roundtables which are part of the IF. Canada believes that the IF process is beginning to deliver results, and its replication in other parts of the world would help developing countries meet their WTO obligations. Canada recognizes that there are shortfalls in the financing of WTO technical assistance; for this reason Canada has co-sponsored a proposal that calls for an increase in the Secretariat's budget for TRTA. We also recognise the need to determine more accurately the requirements for TRTA, and in this connection we note the Kenyan proposal for doubling the WTO's TRTA budget. Canada also sees particular merit in an Advisory Centre for WTO Law that will help developing countries promote their rights under the WTO agreements.

7. No one measure or instrument will address satisfactorily the legitimate concerns of developing countries. However, it is Canada's view that a balanced approach that incorporates market access issues, special measures that contribute to building capacity and promoting economic growth, and the targeted application of both trade facilitation and TRTA will together help developing countries participate more fully in the benefits of membership in the WTO.
