

For Immediate Release

Canadian business groups sound alarm over the future of the World Trade Organization

Ottawa, December 10, 2019 – A group of Canadian business organizations today urged the federal government to redouble its efforts to reform the World Trade Organization (WTO) in the face of U.S. moves to shut down a key component of its dispute-settlement system.

The WTO plays a critical role in protecting rules-based international trade and resolving disagreements among member countries. However, for several years the United States has blocked reappointments to the WTO's Appellate Body, which is effectively the last court of appeal in trade disputes.

The Appellate Body normally consists of seven members, of which three are required to hear any case. On December 10, the terms of two of the remaining three adjudicators are set to expire. The Appellate Body will therefore be unable to function, severely undermining the WTO's dispute-settlement system.

In October 2018, the Government of Canada convened a small, representative group of WTO members, known as the Ottawa Group, in an attempt to promote "meaningful, realistic and pragmatic" reforms to the WTO that would satisfy the interests of all members. To date, however, despite the efforts of the Ottawa Group, the impasse remains.

"We call on all WTO members to engage and intensify efforts to restore the full functionality of the Appellate Body," the Canadian business organizations said. The group consists of the Business Council of Canada, the Canadian Agri-Food Trade Alliance, the Canadian Chamber of Commerce and Canadian Manufacturers & Exporters. The four organizations collectively represent many thousands of companies across Canada, employing millions of Canadians.

"For global traders and the workers and families they support, inaction is not an option. In the absence of a fully functioning dispute-settlement system, the World Trade Organization simply cannot do its job of protecting the rights of Canadian exporters and importers," they said.

"By reducing trade and investment barriers, establishing fair and predictable rules, and resolving disputes, the WTO enabled an enormous expansion in global trade and prosperity. Countless jobs and industries in Canada and around the world depend on the preservation of a rules-based global trading system."



CAFTA ACCA

Canadian Agri-Food Trade Alliance | Alliance canadienne du commerce agroalimentaire



Canadian Chamber of Commerce | Chambre de Commerce du Canada

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