

**CANADA – MEASURES RELATING TO EXPORTS OF WHEAT
AND TREATMENT OF IMPORTED GRAIN**

Status Report by Canada

Addendum

The following communication, dated 7 July 2005, from the delegation of Canada to the Chairman of the Dispute Settlement Body, is circulated pursuant to Article 21.6 of the DSU.

Status Report Regarding Implementation
of the DSB Recommendations and Rulings in the Dispute
Canada - Measures Relating to Exports of Wheat and Treatment of Imported Grain
(WT/DS276)

Canada submits this report in accordance with Article 21.6 of the *Understanding on Rules and Procedures Governing the Settlement of Disputes*.

On 27 September 2004, the Dispute Settlement Body ("DSB") adopted both the Appellate Body and Panel reports in *Canada – Measures Relating to Exports of Wheat and Treatment of Imported Grain* (WT/DS276/AB/R and WT/DS276/R). Subsequently, pursuant to Article 21.3(b) of the Understanding on Rules and Procedures Governing the Settlement of Disputes, Canada and the United States mutually agreed that the reasonable period of time to implement the recommendations and rulings of the Dispute Settlement Body was 10 months and 5 days, that is, 27 September 2004 to 1 August 2005.

On 19 May 2005, legislation to bring Canada into compliance with its WTO obligations, *An Act to Amend the Canada Grain Act and The Canada Transportation Act*, received royal assent. This legislation removes the provisions of the *Canada Grain Act* that were found to contravene Canada's national treatment obligation and amends the *Canada Transportation Act* to extend the railway revenue cap to imported grain. In addition, changes are being made to the Canada Grain Regulations to remove the requirement that elevator operators must seek Canadian Grain Commission permission to mix grain. In its place, there will be a new regulation requiring that elevator operators notify the Canadian Grain Commission the origin of all grain. The legislation and associated regulatory changes will come into force on 1 August 2005.

With regard to the United States' questions at the 20 June 2005 meeting of the DSB, Canada confirms that the regulation requiring the notification of the origin of grain is the only regulation being promulgated as a result of the withdrawal of the requirement that elevator operators must seek Canadian Grain Commission permission to receive foreign grain and mix grain. With respect to the revenue cap, Canada believes the legislative changes to the Canada Transportation Act will bring it into compliance. No regulatory changes are being considered in relation to this compliance measure.
