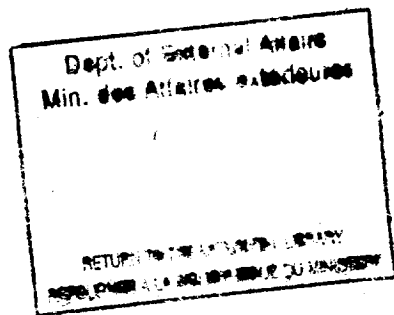


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Strategy for Attracting Investment from Asia Pacific



Executive Summary

A strategy has been developed for attracting investment from the most promising economies in Asia Pacific and for encouraging strategic alliances with companies in the region, in line with the Government's investment strategy adopted in June 1996.

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The strategy outlines the Government's plans to engage its Missions in Asia Pacific more thoroughly in the attraction of investment to Canada. Training of Trade Commissioners and locally-engaged staff in investment promotion techniques is planned, and investment-related calls on foreign company executives will be increased. Investment opportunities in events and activities hitherto regarded as largely trade-related will be identified and pursued. There will be wider reporting of intelligence gathered so that opportunities can be seized and early advice given to Canadian firms.

The purpose of the document is to inform other federal government departments, the provinces and municipalities and Canadian companies of these plans with a view to encouraging them to increase efforts in attracting investment from this dynamic region.

The Asia Pacific region is composed of some of the fastest-growing, diverse markets in the world. Average growth rates in the region will continue to be up to three times the OECD average and 400 million people will have OECD median incomes by 2000. By the year 2020, seven of the top ten world economies are expected to be in Asia.

Twelve economies in Asia Pacific have been studied from the point of view of potential for attracting investment, based on per capita GDP, availability of foreign exchange and general industrial sophistication. Eight of these: Japan, Hong Kong, Singapore, Taiwan, Korea, Malaysia, Australia and New Zealand are considered to be the most promising in the short term and detailed strategies have been developed for them. Short "watching briefs" are provided for Thailand, Indonesia, The Philippines and mainland China.

For each economy the paper provides investment objectives, background on the economies, a list of industrial sectors for concentrated effort, main challenges and suggestions for implementing a program of investment promotion. Annexes to the main paper cover links between trade and investment and general investment promotion techniques.