

- Canada supports China's continued economic reform and transition to a market-based economy. Development of a solid infrastructure and transparent legislation and regulations are key factors in the transition.
- Canada was a strong supporter of China's membership in the World Trade Organization. Canada's 1999 market access agreement with China took effect in 2001 when China joined the organization. The agreement commits China to lower tariffs for Canadian goods and increased access to Chinese markets for Canadian service providers. Several projects sponsored by the Canadian International Development Agency are providing Chinese policy makers with advice on managing the transition to an open, rules-based economic system.

Environment and sustainable development co-operation

- A priority for Canada is greater environmental co-operation with China. During the Prime Minister's October 2003 trip to China, he signed a joint statement on strengthening dialogue and co-operation on climate change.
- During a 1998 visit to China, the Prime Minister signed a framework statement on continuing joint environmental co-operation into the 21st century. The 1998 statement provides the mechanisms for Canada and China to jointly promote stronger ties between institutions and to work together in such areas as energy efficiency, alternative fuels and clean energy, flood prevention, and water conservation.
- The framework statement was the basis of an environmental action plan signed by the Premier of China during his visit to Canada in 1999. As part of the action plan, a newly formed Canada-China joint committee on environmental co-operation held its first two meetings in Vancouver, in 2000 and 2002.
- During a visit to China and the Hong Kong Special Administrative Region in September 2003, Canada's Environment Minister discussed environmental co-operation and sustainable development with senior officials. The minister also renewed memorandums of understanding on environmental co-operation with China's State Environmental Protection Administration and with Hong Kong's Environmental Protection Department.
- Several programs sponsored by CIDA, Environment Canada, other federal departments, and the private sector support Chinese initiatives for better environmental laws and protection planning. Areas of co-operation include:
 - cleaner production;