

key to a wider hemispheric integration and trade liberalization process. As a leader of "emerging" and "developing" economies, Brazil has a significant role in the search for consensus on achieving equitable growth in a globalized environment.

In November 2004, Prime Minister Martin and President da Silva of Brazil issued a joint declaration stating their intention to negotiate enhanced market access in the areas of goods, services and investment in the context of the FTAA. The hope is that this initiative will help to move the FTAA negotiations forward, toward the conclusion of a comprehensive and high-quality agreement that promotes regional economic integration.

Engagement on the Issues

During the autumn of 2004, the Minister for International Trade addressed a number of business groups, publicly outlining his vision for Canada's engagement with emerging markets. Specific elements of this vision include:

- ensuring a foundation of country-to-country relations and promoting other non-trade links with selected partner countries;
- providing business with market intelligence, risk analysis, local knowledge and expertise;
- encouraging business to develop its own strategic approaches to selected markets; and
- providing business services and trade policy instruments to assist Canadian business in establishing footholds in emerging markets and protecting their interests once they are on the ground.

Exchanges on emerging markets began early in 2004, with initial visits to prospective partner countries as well as informal discussions with various stakeholder groups including associations, provinces and businesses. Formal discussions also took place in late November, with Minister Peterson and Parliamentary Secretary Mark Eyking hosting three round tables with representatives of the business, academic and civil society communities. The objectives of these consultations were to:

- interact with a broad range of stakeholders;
- determine which emerging markets and sectors will be significant for Canada;

- improve awareness among Canadians and policy-makers of the challenges within a complex and changing international trade environment;
- identify the key roles for the federal government;
- establish an overall direction for an emerging markets strategy; and
- encourage discussion of broader related issues.

Throughout the consultation process, common themes became apparent. These included:

- optimism about Canada's potential to meet the challenges and opportunities in emerging markets;
- the view that China should be the key focus for Canada's emerging markets strategy, with additional interests being India, Brazil/Mercosur, Southeast Asia, Russia/Central Europe and regions of the Middle East;
- calls for aid, trade and investment development objectives to be more closely integrated;
- calls for government to develop a strategic and integrated approach to supporting Canadian interests in emerging markets; and
- strong support for an approach that will extend and draw upon partnerships already established in North America.

Market Access Issues

The issues raised by emerging markets extend beyond government promotional activity in support of business clients. They challenge the government to review its policies with a view to supporting market access for Canadian products, services and investment with broader forms of economic and social cooperation. Canada's trading partners and competitors are aggressively establishing themselves in key emerging markets through bilateral and regional trade and investment arrangements and other initiatives. Although we can learn from their best practices, we also need to determine which partners and instruments best advance our economic and social interests. Part of this process is to ascertain what more can be done domestically to establish Canada as a partner of choice and which issues need to be more aggressively pursued at the bilateral and multilateral levels.