

What is APEC?

Formed in 1989, the Asia-Pacific Economic Cooperation forum is a group of Pacific Rim economies working together to promote open trade, investment and economic and technical co-operation. Its current members are Australia, Brunei Darussalam, Canada, Chile, China (People's Republic), Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, the Republic of Korea, Singapore, Chinese Taipei, Thailand and the United States.

The APEC forum has evolved into a key agenda-setting body, providing an important opportunity to advance Canadian interests. Canada's participation in APEC is part of the Government's commitment to strengthen Canada's presence in Asia Pacific to create jobs at home and to expand its global involvement and influence.

As an APEC member, Canada is pursuing these objectives and is committed to expanding trade opportunities, ensuring sustainable growth and equitable development, and making it easier to do business, especially for small- and medium-sized businesses.

APEC provides an opportunity for greater co-operation in key areas, including human resources development, telecommunications, energy, the environment, transportation, tourism, industrial science and technology, trade and investment data, trade promotion, marine resource conservation, fisheries, and agricultural technology.

APEC offers a central forum for addressing these challenges. It is a critical means by which Canada can improve access to some of the most dynamic economies in the world. It will help

to ensure Canada's success in the markets of the Asia Pacific and will assist the efforts of Canadian businesses to find trade and investment partners for the future. APEC gives Canada another way to open doors to Asia, by establishing the basis for future contacts and co-operation among governments and the private sector.

The Bottom Line: APEC Opens Doors

APEC benefits Canada by:

- reducing and eliminating barriers to entry of Canadian products and services in APEC markets;
- increasing market transparency by establishing region-wide norms and best practices in areas such as government procurement, intellectual property rights, competition policy and tariffs;
- reducing transaction costs by harmonizing customs procedures and product standards and testing procedures;
- building relationships with influential decision-makers in emerging economic powers and centres of global competition;
- providing a forum for co-operation to improve infrastructure in the region, to sustain economic growth and to ensure a stable environment for trade and investment; and
- speeding up the pace of trade liberalization by bringing important new players into the global trade and economic system.

Asia Pacific: An Important Market for Canadian Businesses

- Four of Canada's top 10 export markets and 11 of Canada's top 25 export markets are APEC members.

- Half of Canada's total exports to markets outside the United States are to APEC economies.

- Team Canada missions to Asia have opened doors for more than 700 Canadian businesses and have helped secure more than \$20 billion in new business deals.

- In 1995, two-way trade with APEC economies (excluding the United States) reached \$62 billion.

- In 1995, Canada's exports to APEC economies (excluding the United States) reached \$27

billion.

- Japan is Canada's third-largest source of direct investment (\$12 billion in 1995) and second-largest source of portfolio investment (\$43.5 billion as of March 1996).

- Other major investors in Canada include Hong Kong, Australia, Singapore and the Republic of Korea.

- Combined gross national product of APEC members: US \$13 trillion in 1994 (the equivalent of half the world's total annual output).

- APEC members represent nearly 50 per cent of the world's total merchandise trade (expected to rise to 70 per cent by the year 2000).