CANADIAN TRADE WITH ASEAN $ Millions 1980	Exports	Imports	TOTAL
Indonesia	212.9	28.8	241.7
Malaysia	93.0	83.4	176.4
Philippines	107.9	101.3	209.2
Singapore*	198.2	149.6	347.8
Thailand	141.8	24.8	116.6
	753.6	387.7	1,141.7

*Although it is difficult to be precise, it is estimated that approximately $90 million is in trans-shipment items, leaving a net two-way trade figure of about $258 million (exports $170 million/imports $88 million).

amounted to $167 million (exports $142 million/imports $25 million). Major Canadian exports included aluminum, steel, asbestos, textile fibres, woodpulp, and zinc. Thailand's exports were led by textile fabrics and apparel, fruits, sugar, fish products, lumber, tin, and gems.

Trade and Investment Framework

Access to the Canadian market for ASEAN members is provided for under the General Preferential Tariff (GPT) for developing countries or under the Most Favoured Nation (MFN) tariff, whichever is lower. Over 90 per cent of all ASEAN exports to Canada receive GPT treatment or already have access duty-free on an MFN basis. In the case of Singapore and Malaysia, as members of the Commonwealth they also benefit from the British Preferential Tariff (BPT) should this prove to be a lower rate than the GPT or MFN.

While Canada provides assistance to members of ASEAN through bilateral and multilateral assistance channels, it is the financial activities of Canada's chartered banks and, to a lesser extent, the export financing activities of the Export Development Corporation (EDC), the Crown corporation which finances the export of Canadian goods and services, which comprise the principal elements of Canada's direct financial relationship with the countries of ASEAN.

The five major Canadian chartered banks (The Royal Bank of Canada, Bank of Montreal, Canadian Imperial Bank of Commerce, The Bank of Nova Scotia, and The Toronto Dominion Bank) are all active in the ASEAN countries. The Bank of British Columbia and the National Bank recently opened offices in Hong Kong to cover Asia and are now pursuing business in the ASEAN region.

Canada has bilateral foreign investment insurance agreements in force with Indonesia, Malaysia and Singapore and double taxation agreements are in effect with Indonesia, Malaysia, Philippines and Singapore. ASEAN member countries maintain their own individual laws, regulations and incentives governing foreign investment.

Canadian investment in the ASEAN region derives mainly from the larger multinational corporations such as: Alcan, Bata, Bow Valley, Brascan, Cominco, Dennison Mines, Husky Oil, Falconbridge, Inco, McMillan-Bloedel, Northern Telecom, Placer, Sherritt-Gordon, Sun Life and Thomson Newspapers.

The next issue of *CANADA-ASEAN* will carry items on market prospects in each ASEAN country, as well as information on the Canadian market for ASEAN exporters.

Canadian Banks in ASEAN Countries

SINCE THE establishment of the Association of Southeast Asian Nations (ASEAN) the ASEAN economies have shown substantial GDP growth rates approximating seven per cent per annum on a compounded basis. The realization of this growth and the future potential has attracted many foreign banks to the region. Canadian banks have been represented in the ASEAN region since the early 1970s and are today, as a national group of banks, operating at a highly active level.

Financing the development of the ASEAN countries was initially achieved through international agencies such as the World Bank, the Asian Development Bank, bilateral aid and loan programs, and from the domestic capital markets of the individual countries. The types and amounts of financing which were requirêd exceeded the capabilities and capacities of the domestic markets, and the expansion of the London euro-currency market in the late 1960s provided major borrowers in the region with additional sources of loan funds.

Specialization and familiarity with credit risks in the region led to increasing activity by foreign banks, and initiatives taken by monetary authorities both in Singapore and Hong Kong resulted in the emergence of regionally based international capital markets. In addition, both centres are geographically placed to bridge the market time differences between the other major financial centres in North America, Europe, and Japan.

Canadian Banks' Representation and Coverage within ASEAN

	INDONESIA	MALAYSIA	PHILIPPINES	SINGAPORE	THAILAND
BM	Representative Office	Covered from Singapore	Representative Office	Offshore Bank Merchant Bank Asia-Pacific Division Headquarters	Covered from Singapore
BNS	Representative Office	Branch	Offshore Banking Unit Pacific Regional Office	Offshore Bank Merchant Bank	Representative Office
CIBC	Covered from Singapore	Covered from Singapore	Covered from Hong Kong	Offshore Bank Merchant Bank	Covered from Singapore
RBC	Covered from Singapore	Covered from Hong Kong	Covered from Hong Kong	Offshore Bank Merchant Bank	Covered from Hong Kong
TD	Representative Office	Covered from Singapore	Covered from Hong Kong	Offshore Bank Merchant Bank	Representative Office
BBC	All ASEAN countries are covered from Hong Kong				
NBC	All ASEAN countries are covered from Hong Kong				

BBC — Bank of British Columbia
BM — Bank of Montreal
BNS — The Bank of Nova Scotia
NBC — National Bank of Canada
RBC — The Royal Bank of Canada
TD — The Toronto Dominion Bank
CIBC — Canadian Imperial Bank of Commerce