

In addition, APEC members followed up on last year's Statement to Implement APEC Transparency Standards, which is designed to foster greater transparency in laws, procedures and administrative rulings of APEC members. Members agreed on transparency standards for eight industry sectors: services, investment, competition policy and deregulation, intellectual property, customs procedures, business mobility, market access and standards. They agreed to further work in 2004 aimed at reaching consensus on government procurement.

Rule making and liberalization through WTO negotiations are the key means by which APEC member economies will progress toward the goal of free and open trade and investment. However, APEC leaders also support the pursuit of WTO-consistent bilateral or regional free trade agreements as an additional way to reach this goal.

Throughout 2003, Canada was involved in a number of initiatives aimed at building the capacity of developing economies. The Department of Foreign Affairs and International Trade organized a series of workshops on GATS (General Agreement on Trade in Services) financial services negotiations in Vietnam, Thailand and the Philippines. As a co-chair of the APEC Group on Capacity Building, which coordinates all of APEC's work in this area, Canada developed a Web-based directory of all WTO capacity-building projects offered within APEC. It then followed up by preparing for APEC a report on APEC's WTO capacity-building activities. The report was endorsed by APEC trade ministers and passed on to the WTO. In 2004, the Canadian International Development Agency (CIDA) will continue to implement its \$9-million APEC economic integration program, which will provide WTO capacity-building assistance throughout Southeast Asia.

### **Market Access Results in 2003**

- A strong Leaders' Statement was adopted, which supports resumption of negotiations in the WTO's Doha Development Round, using the Derbez text from the Cancun Ministerial Conference as a starting point.
- APEC Transparency Standards on administrative transparency were adopted, which will improve market access throughout the region.

- A wide range of capacity-building projects on trade policy and counterterrorism were implemented.
- The Trade Facilitation Action Plan was further implemented; the Plan will cut business transaction costs by 5% over five years.
- The Structural Reform Action Plan was adopted.
- APEC's 1998 *Menu of Options for Investment Liberalization and Business Facilitation to Strengthen APEC Economies* was expanded to include competition policy and regulatory reform.
- An Energy Security Initiative and an Energy Security Action Plan were adopted.
- A Health Security Initiative and a SARS Action Plan were adopted.
- The E-APEC Strategy was implemented through the organization of a wide range of workshops, seminars and training programs on issues related to bridging the "digital divide."

Chile, which will host APEC in 2004, is expected to emphasize APEC's work in support of the multilateral trading system, regional and free trade agreements, and security. In 2004, Canada's major objectives will include support for the WTO; implementing the Trade Facilitation Action Plan, consistent with the direction provided by the 2001 Shanghai Accord; and aiming to expand opportunities for Canadian businesses in the region. In addition, Canada will play a major role in APEC's WTO capacity-building initiative, with several projects expected to take place next year. Canada will build on the success of its Smart Border Symposium and continue work on counterterrorism capacity building.

### **APEC and SARS**

In 2003, Severe Acute Respiratory Syndrome (SARS) became one of the most high-profile health concerns in the world, particularly in the APEC region. APEC includes all the economies most affected by SARS: Canada, China, Chinese Taipei, Hong Kong, Singapore and Vietnam. At the height of the crisis, APEC adopted an Action Plan on SARS, primarily designed to address the economic consequences of the disease, such as the loss of business confidence in the region and the imposition of health measures that could severely impact trade and tourism. Canada played a leadership role in first proposing that