

25, 2006) and the “First Report on the Promotion of Regulatory Reform” (published May 30, 2007).

Similarly, Japan has made submissions of its requests on regulatory issues to Canada through the Embassy and Consulates General of Japan in Ottawa, Toronto, Calgary, Vancouver and Montreal in close cooperation with its chambers of commerce in these regions. The Toronto Japanese Association of Commerce and Industry (Toronto Shokokai) actively works with the Japanese government in submitting recommendations for regulatory reform to Canada in broad areas of regulations such as taxation and investment issues.

Canada also recognizes the importance of regulatory reform and introduced in 2002 a government-wide initiative known as “Smart Regulation” aimed at improving the Government of Canada’s regulatory system. It strives for a better-coordinated, more transparent system that remains forward-looking and accountable to citizens. One of the key results of this initiative is the Government of Canada’s *Cabinet Directive on Streamlining Regulation*, which came into force on April 1, 2007. The new *Directive*, which replaces the previous *Regulatory Policy*, takes a life-cycle approach to regulating and introduces specific requirements for the development, implementation, evaluation and review of regulations. A number of other projects have been initiated to strengthen the policies, processes and tools needed to sustain high levels of regulatory performance and facilitate continuous improvement.

Regulatory cooperation between Canada and Japan continues to advance through a myriad of bilateral and multilateral avenues. Complementing the annual submissions to the respective regulatory bodies and dialogue that takes place at the JEC, bilateral regulatory cooperation mechanisms and dialogue exist in specific sectors – from forestry to financial services – which aim to promote better understanding of each other’s regulatory environment and to resolve issues where possible. As outlined