



applicable to trade in animals, fish and animal/fish products) will provide a mechanism for the mutual recognition of equivalency of Canadian and EU inspection and certification requirements.

- Signature in December 1998 of an amendment to the Canada-EU Agreement on Cooperation in Science and Technology, to extend coverage of the agreement from a positive list of nine sectors to all sectors including biotechnology.
- Signature in December 1998 of an agreement to permit co-operative research by Canadian and European consortia in the field of peaceful use of nuclear energy.
- Completion of negotiations on an agreement permitting information exchange and co-operation by Canadian and EU authorities in the area of competition policy and law.
- In November 1998, the EU modified its grain import regime, to allow for a reduced duty on lower grades of Canadian durum wheat.
- On January 1, 1999, the EU over-quota tariff on newsprint was reduced from 3.5 percent to 2.5 percent.

APEC

- Produced an updated *Blueprint for APEC Customs Modernization: Working with Business for a Faster, Better Border*.
- Commenced work on an APEC Directory on Professional Services.
- Continued to update the *APEC Guidebook on Investment Regimes*, which is now published on the Internet.
- Advanced work on an updated *Guide to Arbitration and Dispute Resolution* in member economies.
- Developed a website on APEC members' customs procedures.
- Agreed to additional priority areas for alignment with international standards in the fields of electrical and electronic equipment in respect of safety and electromagnetic compatibility by 2004/2008.
- Completed a Mutual Recognition Arrangement for Telecommunications Equipment.
- Developed a Mutual Recognition Arrangement on Automotive Products.

- Produced an APEC *Blueprint for Action on Electronic Commerce*.

JAPAN

- In June 1998, the Ministry of Construction enacted legislation which will substantially move the Building Standards Law towards a performance-based system.
- The Japan Agricultural Standards (JAS) Policy Committee report of October 20, 1998, included many recommendations which should benefit Canadian exporters, for example, calling for privatization of grading and inspection services, and urging further consideration of international harmonization of standards. The Ministry of Agriculture, Forestry and Fisheries (MAFF) is now acting upon the recommendations in this report, including those requiring legislative changes, scheduled to be effected in 1999.
- As requested by Canadian exporters, MAFF began the process of revising the JAS structural plywood standard to accommodate softwood veneers in Class 1 plywood and to accommodate the shift to performance-based standards.
- An employee of the Japanese Ministry of Construction was assigned to Canada to participate in the evaluation and development of new standards that can be applied in Japan, resulting in improved and faster access of Canadian building products to the Japanese market.
- Japan offered to facilitate approval for the use of Canadian nails in the construction of prefabricated buildings for shipment to Japan, provided Canada demonstrates that its nail manufacturers meet Japan Industrial Standards or produces equivalent strength data. Such a change could reduce the cost and difficulty for small and medium-sized firms to market prefabricated buildings in Japan.
- Japan accepted Canadian National Lumber Grading Association standards for finger-jointed and machine stress-rated lumber. Progress is anticipated in approval of a similar application for oriented-strand board.
- Japanese investor and policy holder insurance schemes in both the securities and life insurance sectors have been adjusted to protect foreign financial institutions, who wish to enter the Japanese market, against past liabilities arising