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represents a significant market opportunity for Canadian exporters.

In order to identify opportunities arising through regulatory reform and restructuring in Japan's changing marketplace, the Department of Foreign Affairs and International Trade carried out an analysis of trading patterns in potential sectors of opportunity. The results of this study have been shared with Canadian and Japanese business, and interested representatives of the Government of Japan. The analysis points to new opportunities in information and communications technologies, value-added food products, transportation equipment, building products and prefab buildings, medical devices and pharmaceuticals, energy, power generation and environment. In addition, DFAIT and Industry Canada are now studying opportunities in the services sector. Results of this work will be incorporated into a revamped trade action plan for Japan in 2002.

In support of efforts to "rebrand" Canada in Japan as a technologically sophisticated society and to encourage a diversification of our traditional commodities-based trade relationship, the 1999 Team Canada trade mission to Japan emphasized the strengths of Canada's high-technology sectors. These efforts have begun to bear fruit, with signs of increased business activity, especially in the high-tech sectors. Some two dozen Canadian information technology (IT) firms have opened up offices in Japan in the last two years, and the share of manufactured goods and value-added services exports to Japan continues to increase.

Building on momentum generated by the Team Canada mission, the Department of Foreign Affairs and International Trade, along with the provincial and territorial governments and with the support of the Japan External Trade Organization (JETRO), has undertaken a series of promotional activities and seminars. Starting with 15 promotional seminars across Canada, including a media tour, these activities have centred around the theme of promoting the "Canada Brand" — an ongoing initiative to update Canada's image in Japan.

Another example of such activities was the creation of a Japanese language Web site that offers a wealth of material on Canada's commercial capabilities in all our priority sectors, as well as information on the wide range of Embassy services available. Following the success of the IT trade mission that visited

Canada in the previous year, JETRO Executive Vice President Hiroshi Yokokawa led a second IT trade mission to Canada in November 2001. This one-week tour of Canada, with stops in Montreal, Toronto, Calgary and Vancouver, brought the 23 Japanese companies into contact with dozens of interested Canadian companies in each of the cities visited. There was provincial and federal participation in all events, and overall, the mission was deemed a great success. Events such as these provide many opportunities for companies to meet and develop relationships, and thus are held with high regard in the business community. Work is under way planning tightly focused events bringing Canadian companies involved in specific sectors of high-tech to Japan to meet with interested companies and contacts there.

In order to continue to exploit the opportunities opening up in the various regions of Japan, the regional program was strengthened by the opening of the Trade Section of the Honorary Consulate in Hiroshima in September 2000. A similar office was opened in Sapporo in June 2001. The appointment of commercial officers to the trade sections allows the new offices to seek increased opportunities for Canadian and local companies to forge new business relationships, especially small and medium-sized companies.

Further reinforcing our efforts, a Think Canada 2001 festival comprising more than 140 events was held from April through July 2001. This celebration featured a series of cultural, trade, people-to-people, peace and security, and educational events that took place across Japan. The events highlighted our culture, our technologies, our traditional strengths, and our role in the world in terms of peace and security and environmental management.

### **Managing the Relationship**

Canada and Japan continue to promote trade development and economic cooperation under the 1976 Framework for Economic Cooperation and the Joint Communiqué announced during the 1999 Team Canada mission led by Prime Minister Chrétien. The Joint Communiqué reaffirmed the intention of the two governments to advance regulatory cooperation with a view to facilitating trade in regulated products. It also welcomed the interest expressed by the private sector to undertake a study of bilateral trade and investment opportunities.