

MALAYSIA

Overview

In 1998, Canadian exports to Malaysia were \$421 million and imports totalled \$2 billion. Malaysia has a relatively open, market-oriented economy and Canadian exporters have not faced major market access barriers. The government has announced a temporary relaxing of foreign ownership restrictions, a "special deal" where there are no restrictions on foreign ownership for companies investing before December 31, 1999. Companies previously had to export over 80 percent of their product in order to have 100 percent foreign ownership, otherwise there were requirements for 50 percent Malaysian ownership, 30 percent of which had to be Bumiputra (Malays).

In September 1998, in a significant step away from free market policies, Malaysia imposed exchange control measures – mainly aimed at securities traders – which carry with them a regulatory regime which exporters, importers, other business people and travellers must also confront.

Canada's Market Access Priorities for 1999

- monitor intellectual property legislation newly implemented to assist in the development of the Multimedia Super Corridor, (problems still exist in terms of enforcement of copyright and intellectual property laws); and foreign exchange control measures implemented in September 1998 for their impact on Canadian companies;
- advocate restructuring and recapitalizing of Malaysian financial institutions, which may open up opportunities for Canadian financial institutions; and
- press for an end to the new "Buy Malaysian" policies of the government, and other effects on Canadian marketing abilities.

THE PHILIPPINES

Overview

In 1998, Canadian merchandise trade with the Philippines was significantly affected by the global economic crisis, with exports declining 57 percent to \$181 million. Imports were up 32 percent totalling \$958 million. Over the course of recent years, the

Philippines has become a market for a wide range of Canadian goods and services, including agri-food items; machinery and equipment; fertilizers and other commodity products; financial, engineering and other business and professional services. During the administration of President Ramos (ending mid-year 1998), a program of deliberate and widespread trade and economic liberalization was pursued. This is being continued under the administration of new President Estrada.

Market-opening Results in 1998

- Negotiation of a new sanitary import protocol providing new access for Canadian horse meat.
- Maintenance and updating of existing sanitary import protocols ensuring continued market access for Canadian pork, beef, poultry, boar semen, and bovine embryos, and the negotiation of a new export certificate for Canadian pet food.
- Negotiation of an audio-visual co-production agreement allowing for the use of shared resources and benefits in making of films, television, radio, video and multimedia programmes.
- Conclusion of a Memorandum of Understanding between the Information Technology Foundation of the Philippines and the Information Technology Association of Canada.
- Resolution of a dispute over the customs valuation of a third shipment of dental anaesthetics, a resolution which should prevent future disputes.

Canada's Market Access Priorities for 1999

- ensure that any revision to the Philippines' meat import regime does not affect adversely existing Canadian export potential and opportunities;
- continue to work toward a mutually acceptable phytosanitary protocol for the entry of Canadian seed potatoes;
- advocate continued efforts by the Philippines government in the direction of trade and economic liberalization leading to less government involvement and greater regulatory transparency and openness;
- work to reach an agreement on acceptable procedures and documentation for the approval and safeguarding of nickel powder type 123 exports from Canada; and