new economy, which drew more than 200 young business leaders to Beijing and Shanghai, China in July 2001.

APEC results in 2001

- APEC Leaders adopted the Shanghai Accord, which will accelerate movement toward achieving the Bogor Goals.
- APEC Leaders strongly called for the launch of a new round of WTO negotiations.
- The APEC Individual Action Plan (IAP) peer review mechanism was strengthened.
- Canada and China co-hosted the APEC Young Leaders and Entrepreneurs Forum in Beijing and Shanghai, China in July 2001.
- A major new study on APEC and the New Economy was prepared by the APEC Economic Committee.
- Member economies, for the first time, prepared APEC Ecotech Action Plans, providing and overview of individual economies' involvement in economic and technical cooperation work.
- A new Collective Action Plan on Intellectual Property Rights was developed.
- The first APEC-OECD cooperative workshop on regulatory reforms was launched with two of four major workshops held.
- A paper entitled *Business Mobility Standards: A Key to Capacity Building* was released.
- Recommendations to address barriers to the interconnection of power grids were developed.
- A "road map" on interoperability to provide advice on cross-border e-commerce was produced.
- The APEC Tourism Information Network was implemented.
- A program on the Development and Validation of Phyocotoxin Analytical Standards and Reference for Seafood Certification and Safety was implemented.
- A number of multi-year assistance programs on the Harmonized Standards (HS) Convention, Advanced Classification Ruling, Temporary Importation, Risk Management, and Express Consignment Clearance and Integrity were completed.

Mexico, which will host APEC in 2002, will emphasize gender integration and issues related to micro-enterprises in addition to APEC's normal trade liberalization and facilitation agenda. During 2002, Canada will continue its efforts to develop a comprehensive initiative to strengthen trade facilitation in APEC, consistent with the direction provided by the Shanghai Accord, and aiming to expand opportunities for Canadian businesses in the region. Canada will also continue to push for APEC to address the various areas of trade facilitation in an integrated manner, with a view to identifying crosscutting synergies. In addition, Canada will continue to play a major role in the APEC WTO capacity building initiative. Canada plans to continue to promote meaningful public engagement in APEC, including dialogues with civil society organizations, in order to build popular support for the economic reforms needed to sustain regional growth and prosperity.

Japan

Overview

Japan is Canada's third-largest trading partner (after the United States and the European Union), with 2% of total exports, and is the third-largest source of Foreign Direct Investment (FDI) in Canada. Canada is a leading supplier to Japan of a number of key products, such as lumber, pulp and paper, minerals, meat, fish, grains and oilseeds, and prefabricated housing. While resource-based exports continue to represent much of our trading relationship, Canada is also becoming an increasingly important source of a range of sophisticated, value-added, technology-driven products and services imported by Japan. Aircraft, software, telecommunications equipment, resource and environmental products and services are all entering Japan at a faster rate than before. Japan is also a major source of portfolio investment in Canada, and Canadian direct investment in Japan continues to respond favourably to deregulation and market opportunities in the Japanese economy.

In 2001, Canada's total merchandise trade with Japan amounted to $22.7 billion. Continuing the decline in exports to Japan that began in the late 1990's, in 2001 Canadian exports decreased by 12% to $8 billion. Imports from Japan decreased by 12% in 2001 to $14.6 billion. Canada exported $1.5 billion in services and imported $1.9 billion in 2000. The long-term trend in Japan is toward a growing demand for cost-competitive and innovative imports, which