

## Chapter 4

# SUMMARY OF CURRENT AREAS OF BILATERAL ECONOMIC COLLABORATION

### 4.1 Introduction

Recognizing the importance of establishing strong bilateral commercial relations over and above cooperation in multilateral and regional forums, the Canadian and Japanese governments have developed a myriad of intergovernmental institutions designed to facilitate bilateral trade and investment and lay the groundwork for a productive government-to-government dialogue. Reflecting the depth and breadth of the bilateral relationship, this has resulted over the years in a complex network of joint mechanisms.

At the same time, these interactions have been punctuated by efforts of the two governments to raise the level of coherence and coordination in the relationship. A notable early endeavour involved the conclusion in 1954 of the Canada-Japan Agreement on Commerce. Then, in 1976, the Canada-Japan Framework for Economic Cooperation was signed, creating the first major bilateral trade and investment mechanism established between the two countries, the Joint Economic Committee (JEC). Most recently, encouraged by the private sectors of both countries, Canada and Japan signed, in November 2005, a new strategic, forward-looking Canada-Japan Economic Framework.

However, despite some growth in bilateral investment, the overall trend in two-way trade has remained relatively sluggish, and both governments have identified a need to bring renewed energy and focus to ensuring that the relationship reaches its full potential. This Joint Study provides for a re-examination of Japan-Canada collaboration and consideration of ways to address new and emerging challenges and opportunities.