

OPCW Preparatory Commission. The National Authority in Ottawa will begin hiring its staff in late March.

In concert with the Department of Justice, DFAIT will begin a series of interdepartmental consultations on drafting a bill to ban chemical weapons. A number of departments along with various Canadian chemical and pharmaceutical associations will be involved in this process. The bill will lead to Canada ratifying the CWC during 1994.

January's Moscow Summit enabled presidents Clinton and Yeltsin to sign cooperation agreements for the destruction of Russia's chemical weapons. Beginning in March, information will be exchanged on chemical weapons and on inspections of the sites where such weapons are stored. A contribution of US\$30 million will be made for the construction of an analytical laboratory in Moscow by the Americans. An agreement also exists for a conceptual plan to destroy Russia's chemical weapons. The US administration will seek additional funds to support Russian efforts in this field. ■

## **MTCR Members Consider Regime's Future**

Canada and other members of the Missile Technology Control Regime met in Interlaken, Switzerland from November 29 to December 2 to discuss the Regime's future direction. Partners agreed to build on their achievements in controlling the export of missile-related technologies by giving emphasis to dealing directly with the missile proliferation threat emanating from those outside the MTCR. Efforts will be redoubled to persuade potential exporters to abide by MTCR guidelines. In addition, MTCR countries will take steps to encourage proliferating countries to act more responsibly. At the same time, partners were pleased to note an increase in the number of countries outside the regime that have declared their intention to observe the MTCR guidelines.

Partner countries welcomed Argentina and Hungary to the Interlaken meeting, bringing to 25 the number of MTCR members. The next MTCR plenary will be held in Sweden in October. ■

## **Focus: On Canada in Asia Pacific**

With its rich history and experience of multilateralism, it is not surprising that Canada was one of the first Asia Pacific countries to actively promote the idea of a more regularized security dialogue in the region. Canada's 1990 initiative to establish a North Pacific Cooperative Security Dialogue (NPCSD) embracing Canada, China, Japan, North Korea, Russia, South Korea and the United States reflected worries that the progressive reduction of tensions in Europe (notwithstanding crises in the former Yugoslavia and the former Soviet Union) had not prompted a similar trend in Asia Pacific. This was of direct concern to Canada given our growing links with the region.

Canada has long been militarily involved in Asia Pacific, through our participation in World War II and the Korean conflict, our contributions to the various Indochina truce and supervisory commissions, and participation in all United Nations peacekeeping operations in the region. Over the last decade, economic and demographic trends have broadened Canadian engagement in Asia Pacific and heightened our stake in regional security.

### **Economics**

Asia ranks as Canada's second most important trading region, after the United States. In 1992, 11 of Canada's top 25 markets were Asia Pacific economies and (not counting the US) the region was a market for over \$16 billion of Canadian exports — some 10 percent of Canada's total exports. Two-way trade with Asia Pacific states (again excluding the US) was worth \$37.8 billion, compared to our \$26 billion in trade with the European Union.

The Asia Pacific region is also becoming a vital source of foreign direct investment and new technology for Canada. Over the past decade, Japan moved from being the eighth-largest foreign investor in Canada to the third-largest, behind the US and the UK. Japanese direct investment in Canada has doubled since 1985 to \$5.7 billion, while portfolio investments, mainly in federal and provincial government bonds, are substantial. Other Asian economies, such as Hong Kong, Australia, Singapore and South Korea, have also become major foreign investors in Canada.

### **Canada and APEC**

Asia Pacific Economic Cooperation (APEC), founded in 1989, is the principal inter-governmental vehicle for cooperation in the region. In addition to Canada, APEC's members include the US, Japan, South Korea, Australia, New Zealand, China, Hong Kong, Taiwan, Thailand, Singapore, Malaysia, the Philippines, Indonesia and Brunei. It is the only international organization in which all three "Chinas" (China, Hong Kong and Taiwan) are represented at the ministerial level.

APEC holds annual meetings of foreign and trade ministers and periodic meetings of senior officials. The organization has two trade and economic policy groups and 10 sectoral groups cooperating on projects in areas such as fisheries, transportation, energy and marine resource conservation. Canada chairs APEC's Economic Trends and Issues working group and is co-leader of the Human Resource Development and Marine Resources Conservation groups.

APEC is evolving into a key agenda-setting body, helping to define priorities for member countries. In 1993, APEC's focus was a trade and investment "action" agenda to increase transparency and regional cooperation, involving trade facilitation, expansion and liberalization. In November 1993, the first APEC summit was held in Seattle. Canada is scheduled to host the ninth ministerial meeting in 1997.

Participation in APEC gives Canada an opportunity to affirm its commitment to the region and helps to strengthen trans-Pacific ties. It ensures Canada's interests are taken into account and enables Canada to pursue a range of specific regional and bilateral objectives, such as expanding trade, promoting investment and protecting the marine environment. Equally important, APEC participation makes Canadians more informed about opportunities in the region and prompts citizens of other countries to consider Canada when making decisions about everything from business to tourism. It provides an opportunity to match the region's needs to Canadian capabilities. Participation in APEC com-