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# APEC

Opening  
Doors for  
Canadian  
Business



Office of the  
Prime Minister



Cabinet du  
Premier ministre

In today's fast-paced and increasingly global economy, the Asia-Pacific has emerged as a highly dynamic economic region of growing importance to Canada.

Canada, as a Pacific nation and a founding participant in the 18-member Asia-Pacific Economic Cooperation (APEC) forum, has an important window on this exciting part of the world.

In addition to helping open APEC markets, APEC is introducing Canadian businesses to decision makers and potential partners throughout Asia. As such, APEC is a vital tool in the Government's strategy for economic growth and job creation at home.

The first international meeting that I attended as Prime Minister was the APEC Economic Leaders' Meeting at Blake Island, USA in 1993. The enthusiasm for trade liberalization and economic growth that I sensed at Blake Island was confirmed at the APEC Economic Leaders' Meeting in Bogor, Indonesia the following year, where Leaders established a timetable to achieve free and open trade across the Pacific. At the most recent APEC Economic Leaders' meeting, in Osaka in November 1995, Leaders adopted an Action Agenda that will break down barriers to the free flow of goods, services and investment across the region's borders.

Canada will see the Asia-Pacific world come to its doorstep in 1997 when we chair the APEC process. The APEC Ministerial and Summit meetings will take place in Vancouver in November 1997. These events will cap an unprecedented year of activities that will emphasize Canada's Asia-Pacific connections. Taking place across Canada, these activities will provide a unique opportunity to showcase our commitment to strengthening ties with key partners in the region.

The success of our "Team Canada" missions to China in 1994, and to India, Pakistan, Indonesia and Malaysia in 1996, demonstrates what Canadians can achieve when we unite in a common purpose. I invite all Canadians to work together to make 1997 an unforgettable year for Canada in the Asia-Pacific.

*Jean Chrétien*

Dept. of External Affairs  
Min. des Affaires extérieures

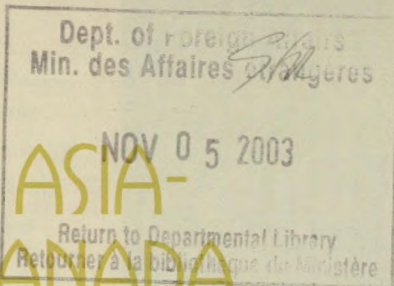
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# APEC 1997: BRINGING THE ASIA- PACIFIC TO CANADA



Canada's trade and economic orientation has historically been established along transatlantic and continental lines. However, as sources of technical innovation, global competition and potential investment have diversified, the Asia-Pacific region has emerged as a centre of dynamism and growth. Canada's active participation in the Asia-Pacific Economic Cooperation (APEC) forum positions us to better understand and profit from what the World Bank has called "the Asian miracle."

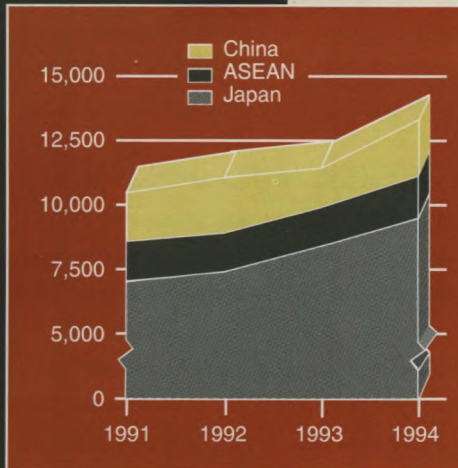
Throughout 1997, Canada will chair APEC and host a series of meetings and activities across the country. The overall mandate will be to manage APEC's agenda for trade and investment liberalization and facilitation, and economic and technical co-operation. Canada's stewardship will conclude in November with meetings of APEC's Leaders and Trade and Foreign Affairs Ministers in Vancouver. They will review APEC's activities and, in particular, consult with senior business representatives drawn from APEC member economies on the facilitation of business interests in the region.

In announcing the selection of Vancouver as the 1997 APEC venue, the Secretary of State for Asia-Pacific, the Honourable Raymond Chan, noted that APEC "provides an opportunity to match the region's needs to Canadian capabilities." Chairing the APEC process in 1997 gives Canada an unprecedented opportunity to expand its interests and reaffirm its role in the Asia-Pacific region.

This brochure explains what APEC does, why it matters to Canada, and the areas in which Canadian private-sector input will be most effective in helping to shape Canada's activities in APEC.

# WHY APEC MATTERS TO CANADA

## GROWTH IN CANADIAN EXPORTS TO SELECTED APEC ECONOMIES (millions of C\$)



Source: Statistics Canada

APEC's 18 members are geographically distant and culturally distinct. They also span levels of development ranging from China (estimated 1995 per capita GDP of C\$775) to Japan (estimated 1995 per capita GDP of C\$55000). What brings these members together is a compelling desire to create a Pacific community and to build

the open trade and investment system that will ensure continued high levels of growth and economic interaction.

Taken together, the gross domestic product of APEC economies in 1995 represented about 60 per cent of global output. In the same year, the merchandise trade of these economies accounted for nearly 50 per cent of the world total. By the end of the decade, this will rise to over 70 per cent of global trade. Although the region faces challenges of economic development, it is also home to the world's fastest-growing middle class with increasing amounts of disposable income for consumer goods, travel, recreation and education.

***APEC represents an opportunity to be a full trading partner in what is becoming the hub of the global trading economy.***

Dr. John MacDonald, Chairman  
MacDonald-Dettwiler and Associates Ltd.  
and Canadian Representative  
former APEC Eminent Persons Group  
(British Columbia)

At the same time, to sustain current rates of economic growth, the Asian members of APEC will need to spend collectively more than C\$1.43 trillion on infrastructure in the next decade alone. Canada cannot afford to miss out on economic opportunities of this magnitude. Tremendous prospects exist for Canadian exporters and investors in technology, services and expertise who can anticipate and respond to the requirements of our APEC partners.

However, the burgeoning markets of Asia-Pacific bring with them daunting challenges as well: tariff and non-tariff barriers, unclear regulations, differing standards and practices, and incomplete market information.

APEC offers a central forum to address these challenges. It is a critical means by which we can improve access to some of the most dynamic economies in the world. It will help to ensure Canada's success in the markets of the Asia-Pacific, and assist the efforts of Canadian businesses to find trade and investment partners for the future. APEC gives Canada another way to open the door to Asia, by establishing the basis for future contacts and co-operation among governments and in the private sector.

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***By participating in APEC-related events, one cannot help but be excited by the dynamic, explosive opportunities in the region. Such forums create great possibilities for Canadian businesses.***

Andrina Lever, Managing Director  
Expansion International Advisory Inc. and  
President, Women Entrepreneurs of Canada  
(Ontario)

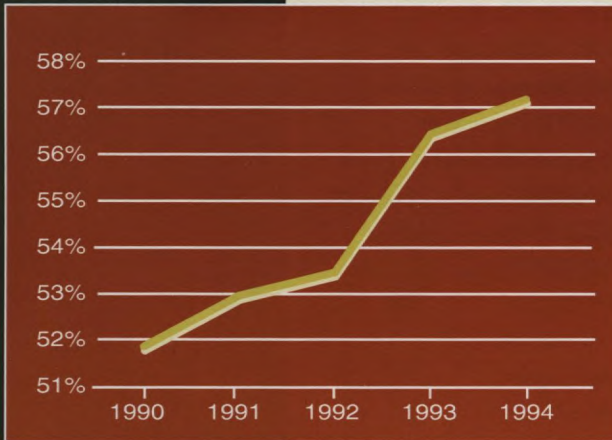
## **THE BOTTOM LINE: APEC OPENS DOORS**

APEC benefits  
Canada by:

- reducing and eliminating barriers to entry of Canadian products and services in APEC markets
- increasing market transparency by establishing region-wide norms and best practices in areas such as government procurement, intellectual property rights, competition policy, and tariffs
- harmonizing customs procedures, as well as product standards and testing procedures, thereby facilitating the flow of goods and services among APEC economies
- building relationships with influential decision-makers in emerging economic powerhouses and centres of global competition
- providing a forum for co-operation to improve infrastructure in the region, to sustain economic growth and ensure a stable environment for trade and investment
- speeding up the pace of trade liberalization by bringing important new players into the global trade and economic system.

# WHAT IS APEC?

APEC'S  
SHARE IN  
WORLD GDP  
(% of world total)



Source: World Bank

Formed in 1989, the APEC forum is a group of Pacific Rim economies working together to promote open trade, investment and economic and technical co-operation. Its members include: Australia, Brunei Darussalam, Canada, Chile, People's Republic of China, Hong Kong, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand,

Papua New Guinea, Philippines, Singapore, Chinese Taipei, Thailand and the United States. A small, streamlined Secretariat is located in Singapore, but most of APEC's work is done by members themselves.

When they first met at Blake Island near Seattle, USA, in November 1993, APEC Leaders recognized the benefits that would flow from freer trade and

investment within APEC, and the need to work together in order to sustain the region's high level of growth and employment generation. A year later in Bogor, Indonesia, APEC Leaders took an historic step forward in agreeing to achieve free and open trade and investment in the region by 2010 for developed economies (which account for 85 per cent of regional trade) and 2020 in the case of developing economies. Meeting in Osaka, Japan in 1995, APEC Leaders agreed on a wide-ranging Action Agenda to achieve the ambitious goal set out in Bogor, and brought to

the table their first round of actions to eliminate regional impediments to trade and investment. Members have committed themselves to developing detailed work programs focused on trade liberalization, trade facilitation, and economic and technical co-operation. These efforts are guided by two policy committees, the Committee on Trade and Investment and the Economic Committee, which advise APEC Senior Officials on key trends affecting growth in the region.

Encouraging and facilitating business in the region is APEC's central goal, because it is through the private sector that capital is mobilized, investments are made, and jobs are created. For this reason, APEC Leaders in November 1995 established the APEC Business Advisory Council (ABAC), a high-level permanent forum for channeling private-sector advice directly to Ministers and Leaders. The ABAC will play an important role in ensuring that APEC remains centred on the aspirations and interests of the private sector, to help ensure prosperity for Canadians and all people in the region.

A Canadian priority is to ensure that business insights are factored into all of APEC's activities. This is particularly the case with regard to APEC's 10 working groups, which co-operate to address the economic interests of APEC members. Many Canadian firms are already active in a number of these working groups. They help to structure work programs and participate in meetings and seminars. Others are encouraged to learn more about APEC activities and to become actively involved in setting the Canadian agenda.

The 10 working groups, together with a brief description and federal government contacts, are:

- **Transportation:** to create an efficient, safe and integrated regional transportation system by streamlining procedures and reducing institutional barriers that cause congestion at land, air and marine entry points. Contact: Transport Canada, Pacific Region Policy Coordination, Fax 604-666-7255

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*Canada's commitment to lead the APEC transportation safety and security initiative offers an opportunity to Canadian suppliers to showcase their technology to APEC members.*

Ed Fitzhenry  
President  
Pelorus Navigation  
Systems Inc.  
(Alberta)

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*By participating in the APEC Telecommunications Working Group, we were able to work with Canadian officials to break down barriers and facilitate trade for our product in both the Philippines and Indonesia.*

Bruno Monfils  
General Manager  
LanSer Technologies  
Corporation  
(Quebec)

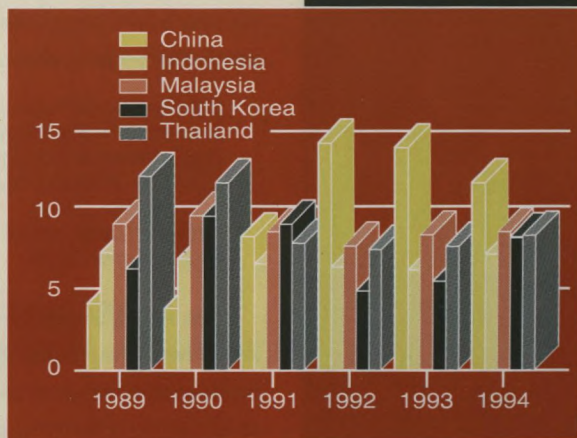
- **Telecommunications:** to build an Asia-Pacific Information Infrastructure, for example, by adopting common operating and equipment certification standards and test data recognition. Contact: Industry Canada, International Business Development, Fax 613-990-3858
- **Tourism:** to achieve environmentally and socially sustainable tourism, mainly by removing impediments to the movement of tourists and tourism investment capital and identifying best practices for integrated planning. Contact: Industry Canada, Tourism Marketing, Fax 613-952-7906
- **Energy:** to improve the general efficiency of energy markets and policies by fostering a better understanding of regional issues, facilitating trade and investment in energy, and encouraging environmentally sound policies and technologies. Contact: Natural Resources Canada, International Energy Policy, Fax 613-995-5576
- **Human Resources Development:** to use its four networks to address regional training needs from the perspective of business management, economic development management, industrial training, and education in formal schooling sectors. Contact: Human Resources Development Canada, International Affairs Branch, Fax 613-941-4576, or Canadian International Development Agency, Asia Regional Institutions, Fax 819-953-3350
- **Industrial Science and Technology:** to develop human resources, promote exchange of researchers and more open flows of technology and information, facilitate joint research projects, clarify member economies' regulatory frameworks, and encourage sustainable development. Contact: Industry Canada, International Science and Technology Policy, Fax 613-952-5381
- **Fisheries:** to facilitate and strengthen regional cooperation and promotion of sustainable fisheries management practices through facilitation of trade in fish and fishery products, development of human resources, technology transfer, and training and education. Contact: Fisheries and Oceans, Policy, Fax 613-991-3254



- **Marine Resources Conservation:** to enhance the conservation and management of ecologically and economically important marine resources. Contact: Fisheries and Oceans, Institute of Ocean Science, Fax 604-363-6479
- **Trade and Investment Data:** to develop a database on merchandise trade, service trade and investment for all APEC member economies. Contact: Statistics Canada, International Trade, Fax 613-951-0117
- **Trade Promotion:** to serve as a linkage between APEC trade promotion agencies and the private sector by addressing trade promotion, trade financing, trade skills and export training, and information sharing. Contact: Department of Foreign Affairs and International Trade, Strategic Planning (Trade), Fax 613-943-8819

APEC also benefits from the expertise of three ad hoc experts groups on **small and medium enterprises** (Contact: Industry Canada, Small Business and Entrepreneurship, Fax 613-954-5492); **agricultural technology** (Contact: Agriculture and Agri-food Canada, International Trade Policy, Fax 613-759-7503); and **environment** (Contact: Environment Canada, Policy and Communications, Fax 819-953-7025).

## ECONOMIC GROWTH IN SELECTED APEC ECONOMIES (percent)



Sources:  
 1989-93 figures: World Bank  
 1994 figures: Economist  
 Intelligence Unit

# INFORMATION ON CANADA IN APEC

The Department of Foreign Affairs and International Trade co-ordinates Canada's participation in APEC. The Department works with other parts of the federal government to represent Canada at all levels of APEC, and makes recommendations to Ministers and the Prime Minister on Canada's APEC policies and strategies. For information on Canada's APEC activities for 1997 or on Canada's APEC policies in general, write or send a fax to:

Director, Asia Pacific Regional Co-ordination Division  
Asia and Pacific Branch  
Department of Foreign Affairs and International Trade  
Lester B. Pearson Building  
125 Sussex Drive  
Ottawa, Canada K1A 0G2  
Fax 613-944-2732

The APEC Study Centre is located in the offices of the Asia Pacific Foundation of Canada. The Centre promotes collaborative research and disseminates information and analysis on issues related to Canada's participation in APEC. The Centre also serves as Canada's link to the international consortium of APEC Study Centres. For further information on the APEC Study Centre's activities, write or send a fax or e-mail to:

Director, APEC Study Centre in Canada  
Asia Pacific Foundation of Canada  
666-999 Canada Place  
Vancouver, British Columbia V6C 3E1  
Fax 604-681-1370  
e-mail: [rainfo@apfc.apfnet.org](mailto:rainfo@apfc.apfnet.org)  
Internet: [www.apfnet.org/apfweb/apec/index.html](http://www.apfnet.org/apfweb/apec/index.html)

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