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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, Asia Pacific has emerged as a highly dynamic economic region of growing importance to Canada. As a Pacific nation and a founding member of the 18-member Asia Pacific Economic Cooperation (APEC) forum, Canada has an important window on this exciting part of the world.

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

The first international meeting I attended as Prime Minister was the APEC Economic Leaders' Meeting at Blake Island, U.S.A., 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 from this diverse group of economies established a timetable to achieve free and open trade across the Pacific. We took further steps in Osaka, Japan, in 1995 and in Subic, Philippines, with the Manila Action Plan for APEC in 1996. This year, Canada has taken the helm of APEC. And 1997 is a very important year, as our plans to break down barriers to the free flow of goods, services, and investment across the region's borders come into force. Unleashing the potential of the region's business sector will be key to our success. I intend to work with the Canadian business community to identify the obstacles to trade and investment in the region, to ensure we are addressing them in APEC, during 1997 and beyond.

As chair of the APEC process this year, Canada will see the Asia Pacific world come to its doorstep. Launched with another successful Team Canada trade mission to Asia this past January, the year will culminate in the APEC Ministerial and Leaders' meetings in Vancouver in November, capping an unprecedented year of celebration to mark Canada's Year of Asia Pacific. Taking place across Canada, these activities are providing a unique opportunity to show our partners in the region all that Canada has to offer.

I invite all Canadians to help make 1997 an unforgettable year for Canada in Asia Pacific.

*Jean Chrétien*

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# APEC 1997: BRINGING ASIA PACIFIC TO CANADA

Dept. of Foreign Affairs  
Min. des Affaires étrangères

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Canada's trade and economic orientation has historically been established along trans-Atlantic 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".

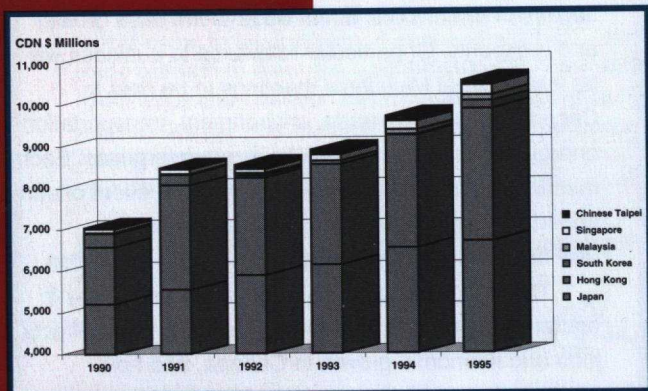
In November 1997, APEC's Leaders and Trade and Foreign Affairs Ministers will meet in Vancouver, British Columbia. In consultation with senior business representatives drawn from the region, they will take stock of economic trends, assess trade and investment liberalization, and review APEC's activities to facilitate business in the region. In preparation for this landmark meeting bringing together approximately 8000 political leaders, senior business people, and media representatives, over a dozen events will be held across the country involving Canadians from a wide range of sectors in discussions about ways to increase growth and prosperity. Of particular relevance to business will be five sectoral Ministerial meetings to be held in Canada this year on trade, environment, transportation, energy and small- and medium-sized enterprises. Each meeting will feature a major private-sector event offering opportunities for networking and discussion with Ministers and business people throughout the region.

This brochure explains what APEC does, why it matters to Canadian businesses, and therefore affects jobs and economic growth in Canada, and how interested organizations can get involved in shaping Canada's activities in APEC.

In announcing the selection of Vancouver as the 1997 APEC venue, the Secretary of State (Asia-Pacific) noted that APEC "provides an opportunity to match the region's needs to Canadian capabilities." The Vancouver Leaders' Meeting gives Canada an unprecedented opportunity to solidify its role at the forefront of economic activity in the Asia-Pacific region. As chair of the APEC process in 1997, we are taking the lead in directing APEC's agenda for trade and investment liberalization and facilitation, and in reshaping economic and technical cooperation activities to facilitate sustainable economic growth that will benefit all peoples in the region.

## AN OPEN DOOR FOR CANADIAN BUSINESS

APEC's DIRECT  
INVESTMENT IN  
CANADA  
(Selected APEC  
Economies, 1990-1995)



APEC has been business-driven from the start, a feature that sets it apart from many other regional trade bodies. The expression "APEC means business", coined by the APEC Business Advisory Council (ABAC), confirms the central role of the private-sector in working with governments to guide APEC's agenda through direct participation at all

levels of activity, from working groups to Ministers and Leaders.

APEC's 18 members are geographically distant and culturally diverse. Taken together, the gross domestic product of APEC economies in 1995 represented over

**Source:**  
Canada's International Investment  
Position, 1995, Statistics Canada  
(Cat. No. 67-202)

50 per cent of global output. In the same year, the merchandise trade of these economies accounted for about 46 per cent of the world total. Although the region continues to face 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.

At the same time, to sustain current rates of economic growth, the East Asian developing economies will need to spend in the order of about CDN \$1.5 to 2 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 of 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 cumbersome customs procedures, to name a few. Consultations with the APEC business community reveal that all of these factors slow down business activity and add costs to the bottom line.

APEC offers a central forum to address these challenges, by bringing together technical experts and business people to find creative and economically viable solutions. It is a critical means by which we can improve access to some of the most dynamic economies in the world, both through the elimination of systemic barriers to trade and investment, and through the eradication of unnecessary red tape which slows down business transactions. APEC is an important vehicle to pave the way for success in Asia Pacific markets, and to assist the efforts of Canadian businesses to find trade and investment partners for the future.

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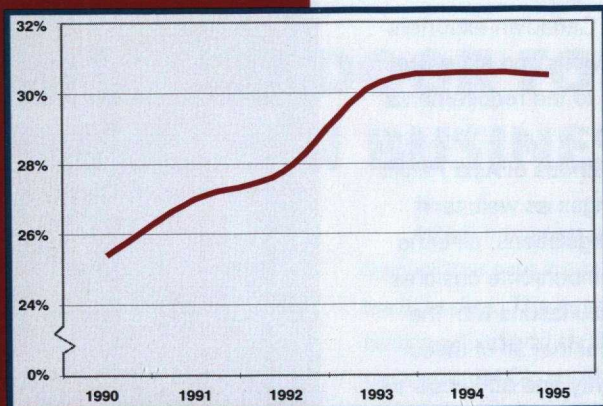
*"By participating in APEC-related events, one cannot help but be excited by the dynamic, explosive opportunities in the region. Such forums create great possibilities for Canadian businesses."*

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

# WHAT IS APEC?

APEC'S SHARE OF  
WORLD EXPORTS  
(Excluding U.S., 1990-  
1995; % of world total)



Source:  
Table 1, Part A, *Direction of  
Trade Statistics Yearbook 1996.*

Formed in 1989, the APEC forum is a group of Pacific Rim economies working together to promote open trade, investment and economic and technical cooperation. 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, the Philippines, Singapore, Chinese Taipei, Thailand, and the United States of America. A small, streamlined Secretariat is located in Singapore, but

most of APEC's work is done by members themselves.

When they first met near Seattle, U.S.A., 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 represent 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. In Subic, the Philippines, in 1996, each APEC economy tabled its own detailed work programs containing specific

measures for trade liberalization, trade facilitation, and economic and technical cooperation. These individual action plans are "living documents", and will be updated and revised continually.

Encouraging and facilitating business in the region is APEC's central goal, for it is through the private sector that capital is mobilized, investments are made, and jobs are created. The APEC Business Advisory Council (ABAC), announced by Leaders in 1995, is a high-level permanent forum for channelling private-sector advice directly to Ministers and Leaders. Chaired by Canada in 1997, the ABAC plays an important role in ensuring that APEC remains centred on effective responses to the needs of the private sector, in areas ranging from investment to infrastructure to the requirements of small- and medium-sized businesses. The three members of the Canadian ABAC team are: Mr. Paul Gobeil, Vice-Chairman, Métro-Richelieu; Dr. Dorothy Riddle, President and CEO, Service-Growth Consultants; and, Mr. Terry Hui, President and CEO, Concord Pacific Developments Inc.

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*"Our mission is to improve conditions for doing business in the Asia-Pacific region, which we believe will in turn help spread prosperity for all the region's people."*

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Paul Gobeil  
Chair  
APEC Business Advisory Council

## 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 investments;
- harmonizing customs procedures, as well as product standards and testing procedures, thereby facilitating the flow of goods and services;
- granting access to influential decision-makers in emerging economic powerhouses and centres of global competition;
- providing a forum for cooperation to improve infrastructure in the region, to sustain economic growth and ensure a stable environment for trade and investment;
- stepping up the pace of global trade liberalization by helping to bring important new players into the global trade and economic system.

# WHAT ARE CANADA'S GOALS FOR APEC IN 1997?

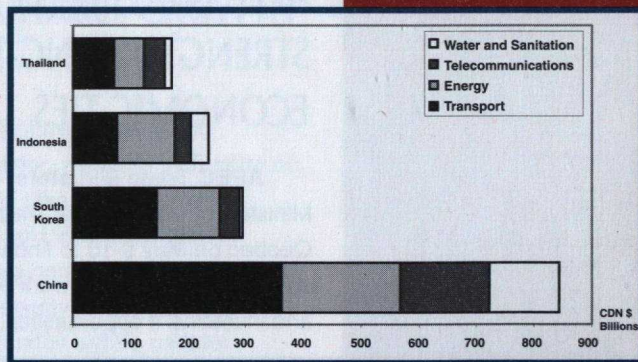
Canada takes the helm of APEC at a time of **implementation and follow-through** to produce **measurable results**. In particular:

- We will solidify progress towards **liberalizing trade and investment**, through full implementation of the Individual Action Plans (IAPs) of each APEC economy. We will also take further measures by working with others to revise and improve our IAPs, to ensure all member economies are on the right track to the 2010/2020 dates for liberalization. APEC is also part of a larger whole, and will continue to support the work programs of the **World Trade Organization (WTO)**. Our activities in this regard complement bilateral, regional and other multilateral efforts on trade liberalization.
- We will ensure APEC reflects what the private sector wants from government. For instance, APEC can help **facilitate business activity and reduce the cost** of doing business by: making customs processes easier; improving the accessibility of government procurement systems; and, working towards comparable standards that will allow better flow of products and professionals in the region. These areas have been identified by Canadian business, especially small- and medium-sized enterprises (SMEs), as crucial elements to their continued growth and expansion into regional markets.



- We will match Canadian goods and services in **infrastructure development** to the region's needs in areas such as transportation, energy and environmental protection, with a particular focus on making urban centres — where increasing numbers of people in the region live — more viable and more efficient in the longer term. With infrastructure spending requirements in the range of C\$1.5 to 2 trillion over the next decade, just in the developing countries of East Asia, this is an opportunity that Canada cannot afford to miss.

**INFRASTRUCTURE:  
INVESTMENT  
REQUIREMENTS OF  
SELECTED APEC  
ECONOMIES,  
1995-2004**



- We will place a special emphasis on the full participation of business people, as well as **women and youth**, in APEC's activities. APEC's Business Advisory Council will meet to develop advice to Leaders on how governments can help create a better business environment. Reinforcing the role of women as community-builders and as major players in a country's economic and social development will be important. As tomorrow's future leaders, young people must participate in the decisions that are made about Canada's foreign policy, including APEC directions.

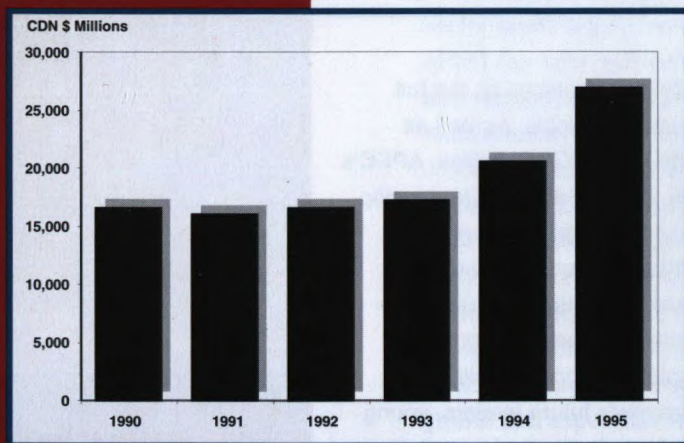
**Source:**

*"Infrastructure Development in East Asia and Pacific", The World Bank, 1995.*

**Notes to Table:**

1. Low GDP growth defined as 5%.
2. Estimates for public sector only.

CANADA'S  
EXPORTS TO APEC  
ECONOMIES  
(Excluding U.S.,  
1990-1995)



Source:  
Statistics Canada

To accomplish the above objectives, over 100 APEC Ministers with a wide range of responsibilities will participate in meetings in various parts of Canada throughout the year in preparation for the November meeting of APEC Leaders in Vancouver. Business delegations will come to Canada as part of the following high-level meetings throughout the year:

## APEC & BUSINESS: STRENGTHENING TRADE AND ECONOMIC TIES

**APEC Trade Ministers**, led by the Canadian Minister for International Trade, will gather in Montreal, Quebec on May 9-10 to find ways in which APEC can contribute to the WTO work program, to increase trade and investment opportunities, and to consider how to

implement the 1996 recommendations of the APEC Business Advisory Council. They will focus on trade facilitation, particularly addressing issues identified by business people as obstacles to private-sector

expansion in the region. Examples include unwieldy customs processes, opaque regulatory regimes, and uneven product and professional standards. An APEC Business Symposium on Customs Procedures, organized by Revenue Canada, will take place

immediately prior to the Ministerial meeting to develop recommendations for APEC directions on this important aspect of trade facilitation.

For more information, contact: Mr. James Fox, Director, APEC Division, Department of Foreign Affairs and International Trade, Fax: (613) 944-2732.

## APEC & THE ENVIRONMENT: ENSURING SUSTAINABLE GROWTH

**APEC Environment Ministers**, led by the Canadian Environment Minister, will meet in Toronto on June 9-11. The Ministers will take the next steps required to ensure that as rapid economic growth continues, the rights of future generations to economic prosperity, environmental security and social stability are protected. Particular attention will be paid to ensuring that the increasing number of urban centres in the region develop in a way that is sustainable and livable for all citizens, through cleaner technology and production methods and protection of the marine environment, among other means. They will also work with environment-related companies and local authorities around the APEC region through a Business and Local Authorities Forum to discuss partnership opportunities in urban environmental infrastructure.

For more information, contact: Mr. Larry Funnell, Associate Director, Asia Pacific, International Affairs Branch, Environment Canada, Fax: (819) 953-7025.

## APEC & TRANSPORTATION: BETTER SYSTEMS, BETTER BUSINESS

**APEC Transport Ministers**, led by the Canadian Transport Minister, will meet in Victoria on June 23-24 to examine ways to improve the capacity and efficiency of transportation systems. Private sector participation will be realized through the Minister-Industry Symposium and the Transportation Industry Forum components of the Ministerial meeting. Special emphasis will be placed on the best ways to plan, operate and pay for new infrastructure requirements, as well as identifying and developing solutions for transport-related barriers to increased quantity and efficiency of business activity in the region. The importance of smoothly functioning transportation systems in supporting efficient economic activity, particularly in urban centres, will be part of the discussions.

For more information, contact: Mr. E.R. Cherrett, Director General, Corporate Relations, Transport Canada, Fax: (613) 991-6422 or E-mail: cherree@tc.gc.ca

***"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 and CEO, Pelorus Navigation Systems Inc.  
(Alberta)

## APEC & ENERGY: POWER PROJECTS FOR GROWTH

**APEC Energy Ministers**, led by the Canadian Minister of Natural Resources, will meet on August 26-27 in Edmonton to discuss ways of ensuring that the region's expanding energy infrastructure needs are met while taking into account environmental and social considerations. Topics of discussion will include: progress in implementing energy policy principles; power infrastructure investment; the development of environmentally sound infrastructure; the common recognition of efficiency testing facilities; and, the common acceptance of their results. A Business Forum will also allow the region's energy industry leaders to share their views on these and other matters. In addition, there will be opportunities to demonstrate Canadian expertise and technology in the energy field to the visiting delegations of senior government and business leaders.

For more information, contact: Dr. Gil Winstanley, Director, International Energy Division, Natural Resources Canada, Fax: (613) 995-5576.

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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."*


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Bruno Monfils  
General Manager, LanSer Technologies Corporation  
(Quebec)

## APEC & SMALL AND MEDIUM BUSINESS: THE ENGINE OF GROWTH

**APEC Ministers responsible for small- and medium-sized enterprises (SMEs)**, led by the Canadian Industry Minister, will convene in Ottawa on September 18-19 to discuss practical measures to improve opportunities for SMEs in the Asia-Pacific region. The five priority areas of interest to SMEs are: access to information; financing; markets; technology; and, human resources. Ministers will benefit from private sector recommendations in each of these priority areas emanating from an APEC SME Business Forum and Exposition on September 17-18.

For more information, contact: Ms. Francine L'Espérance, APEC SME Task Force, Industry Canada, Fax: (613) 946-1035 or  
E-mail: [lesperance.francine@ic.gc.ca](mailto:lesperance.francine@ic.gc.ca).



The success of APEC will be judged not by trade figures and economic statistics alone. Governments have the responsibility to future generations to make the conditions right for long-lasting prosperity, including economic, environmental and social sustainability. A special symposium will be convened in Saskatoon on September 2-4 to address concerns shared by all APEC Leaders on the **impact of rapid economic development and population growth in the region on food and energy supplies and on the environment.**

Other Ministerial meetings which will play a key role in advancing APEC's agenda include a Meeting of APEC Finance Ministers in Manila, Philippines on April 5-6, and a Ministerial Meeting on Human Resources Development in Seoul, South Korea on September 25-26.

Hosting APEC gives Canada an unprecedented opportunity to heighten our activity and influence in the region and to better understand and profit from what the World Bank has called "the Asian miracle". And that means more jobs and a healthy economy back home, today and well into the next century. As the Prime Minister said as he left on his third Asia Pacific trade mission in three years, "Canada knows that Asia Pacific is the future."

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### ***DID YOU KNOW...***

*that we can provide APEC policy experts to talk to your organization about the opportunities to get involved in Canada's Year of Asia Pacific? Drop us a line — we'll be there!*

*Fax: (613) 944-2732*

*Internet: <http://www.dfait-maeci.gc.ca/~apec/english/menu.htm>*

#### **NEED MORE INFORMATION?**

For more information on Canada's APEC activities for 1997, write, send a fax or e-mail to:

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E-mail: [cdaapec@istar.ca](mailto:cdaapec@istar.ca)



CANADA'S YEAR OF  
ASIA PACIFIC 1997  
L'ANNÉE CANADIENNE  
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