



## **Asia Pacific Economic Cooperation (APEC)**

### **Background**

APEC was formed in 1989 as a forum to facilitate economic growth, cooperation, trade and investment in the Asia-Pacific region. It aims to help improve trade and economic performance and regional links for the prosperity of the people in the region. APEC has a membership of 21 countries, a population of over 2.5 billion, and a combined Gross Domestic Product of USD\$19 trillion.

APEC is a unique forum operating on the basis of open dialogue and equal respect for the views of all participants. APEC operates by consensus. There are three committees, one sub-committee, 11 working groups (e.g. fisheries, telecommunications and trade promotion) and other APEC fora. APEC's priorities and goals are set at annual meetings of APEC Economic Leaders and Ministers.

The APEC chair rotates annually among its members, and each chair is responsible for hosting the annual ministerial meeting of foreign and trade ministers. Canadian government departments are representatives on these various committees. Thailand is the host for 2003, Chile in 2004 and Korea in 2005.

### **APEC Member Economies**

Australia	Japan	The Philippines
Brunei Darussalam	Republic of Korea	Russia
Canada	Malaysia	Singapore
Chile	Mexico	Chinese Taipei
China	New Zealand	Thailand
Hong Kong, China	Papua New Guinea	USA
Indonesia	Peru	Vietnam

### **Goals and Objectives**

One of its main goals (referred to as the Bogor Goal) is for *free and open trade and investment* in the Asia-Pacific by 2010 for developed economies and 2020 for developing economies. The three areas of focus for APEC are:

- *Trade and Investment Liberalization* – reducing and eliminating tariff and non-tariff barriers to trade and investment, and opening markets.
- *Business Facilitation* – reducing the costs of business transactions, improving access to trade information and bringing into line policy and business strategies to facilitate growth, and free and open trade.

#### **Canadian Trade with Asia**

Canadian exports totaled CAD\$396,298 million in 2002, down from CAD\$402,501 in 2001. In Asia (not including the US), total exports totaled CAD\$20,267 million in 2002, a 1% from 2001 (CAD\$20,493 million). In Asia, Japan is Canada's main trading partner, with gains being made from year to year with China. Compared with our main trading partner, the United States where exports make up 87.42% (2002) of Canada's trade, Canada's main trading partners are Japan, United Kingdom and China. (Data: Industry Canada, [www.strategis.gc.ca](http://www.strategis.gc.ca))

- *Economic and Technical Cooperation (ECOTECH)* – assisting member economies build the necessary capacities to take advantage of global trade and the New Economy.

## **Ongoing Activities**

Highlighted below are the main activities related to standards and conformance.

### **1. Individual Action Plans**

Economies must report annually on their actions to promote free trade and investment. These Individual Action Plans (IAPs) represent the central means by which APEC economies work toward the Bogor Goal. Chapter Five outlines the standards and conformance activities, and Canada must report on current and future activities in the areas of:

- Alignment with International Standards
- Mutual Recognition of Conformity Assessment
- Cooperation on Technical Infrastructure Development
- Transparency.

IAPs are public documents and available at [www.apec-iap.org](http://www.apec-iap.org).

Each economy must participate periodically in an objective peer review, and Canada's 2002 IAP was successfully reviewed by APEC member economies. In the area of standards and conformance, Canada was congratulated for its open and transparent standards system, particularly our initiatives to promote transparency of standards and the regulatory system through the SCC web site. Also, we were commended for adopting Canadian national standards from or based on international standards. Click here for a copy of the press release and IAP Peer Review report. [www.apecsec.org.sg/whatsnew/press/PressRel\\_CdaIAPReview\\_2003.html](http://www.apecsec.org.sg/whatsnew/press/PressRel_CdaIAPReview_2003.html)

### **2. Trade Facilitation Action Plans**

In 2001, APEC leaders met in Shanghai and developed the Trade Facilitation Action Plan, which aims to meet the trade facilitation objective of reducing transaction costs by 5% across the region by 2006. From a standardization perspective, this involves developing confidence in the certification systems of different economies, and recognizing Mutual Recognition Agreements (MRAs) among laboratories, inspection, certification, and accreditation bodies. Within the plan, Canada will continue to:

- Align national standards with international standards where appropriate in consultation volunteers of the National Standards System.
- Adopt Good Regulatory Practices, particularly through its current and future on-line services ([RegWatch](#) - database of voluntary standards referenced in Canadian federal regulations; and [Standards Alert!](#) - allows subscribers to be among the first to learn about changes to Canadian and international standards).
- Achieve recognition of conformity assessment through the establishment of accreditation services.
- Participate in Mutual Recognition Agreements (MRAs)
- Provide assistance to developing economies in establishing their technical and administrative infrastructures.

### **3. Sub-Committee on Standards and Conformance**

The Sub-committee on Standards and Performance (SCSC) was established in 1994 with the goal of eliminating trade distortions arising from domestic regulations and standardization activities. Its primary purpose is to promote cooperation and joint initiatives, facilitate information exchange between member economies and monitor compliance with key APEC objectives. Click here for a briefing on APEC-SCSC ([link to briefing](#)).

## **Standard Council of Canada's Role**

The Department of Foreign Affairs and Trade (DFAIT) is responsible for coordinating the overall Canadian policies in relation to APEC and for representing Canada at the APEC meetings. The SCC provides advice and comments on action plans and policy submissions directly to DFAIT.

### **Links**

<b>APEC</b>	<a href="http://www.apecsec.org.sg/">www.apecsec.org.sg/</a>
<b>APEC Thailand 2003</b>	<a href="http://www.apec2003.org">www.apec2003.org</a>
<b>APEC – IAPs</b>	<a href="http://www.apec-iap.org/">www.apec-iap.org/</a>
<b>DFAIT-APEC</b>	<a href="http://www.dfait-maeci.gc.ca/canada-apec/menu-e.asp">www.dfait-maeci.gc.ca/canada-apec/menu-e.asp</a>
<b>Asia Pacific Foundation of Canada</b>	<a href="http://www.asiapacific.ca/">www.asiapacific.ca/</a>

Intergovernmental Affairs and Trade (IGAT) is a branch of the Standards Council of Canada. Our role is to strengthen Canadian policy development and strategic participation with respect to international standardization, international trade and intergovernmental cooperation.

Information briefings on other topics can be found at [http://www.scc.ca/igat/index\\_e.html](http://www.scc.ca/igat/index_e.html).

For more information:



**Standards Council of Canada**  
**Conseil canadien des normes**

Tel.: +1 613 238 3222, Fax: +1 613 569 7808  
E-mail: [info@scc.ca](mailto:info@scc.ca), Web Site: [www.scc.ca](http://www.scc.ca)

**Canada**