

February 28, 2012

**Joint Statement by the Canadian Council of Chief Executives and Keizai Doyukai
on a Canada-Japan Economic Partnership Agreement**

As organizations representing leading businesses in Japan and Canada, the Canadian Council of Chief Executives and Keizai Doyukai (Japan Association of Corporate Executives) urge our governments to launch negotiations toward an Economic Partnership Agreement (EPA) that will deepen the bilateral relationship and complement our existing cultural, political and social linkages.

Japan and Canada are bound by over 100 years of commercial engagement. Key sectors in both countries are linked through global value chains and other business-to-business relationships. Total merchandise trade between the two countries stood at \$22.6 billion in 2010. Japan is a critical source of job-creating investment in Canada, while Japanese exports provide Canadians with important technological and manufactured goods and services. In turn, Canada provides Japan with reliable access to food imports, energy and other natural resources. Japan is Canada's fifth-largest merchandise export market, worth almost \$9.2 billion in 2010.

A Japan-Canada EPA would generate even greater economic gains through enhanced trade and investment flows, as well as people-to-people exchanges.

Against the backdrop of an uneven global economic recovery, the time is right for trusted friends and partners to work together more closely, while supporting the multilateral trade and investment system.

A Japan-Canada EPA should be comprehensive and of the highest ambition and quality. Suggested priorities include:

- Elimination, either immediately or over the short term, of substantially all remaining tariff and remaining non-tariff barriers
- Liberalization of services trade in a substantial number of sectors
- Simplified rules of origin
- Clear rules to facilitate the settlement of future commercial disputes
- Regulatory coherence/cooperation, including a framework to promote transparency, reform and mutual recognition
- Improvements to competition policy
- Enhanced labour mobility, including standards for visa issuance and renewal and mutual recognition of professional qualifications
- High levels of protection for intellectual property
- Improvements to tax treaties
- More transparent and simplified customs procedures
- Protection for investors
- A common approach to the treatment of state-trading enterprises
- Alignment of policies on government procurement

- Cooperation on safety standards for food and other products
- Greater cooperation in the areas of energy and food security, in trade promotion and investment in third countries, and in support of an equitable two-way flow of manufactured goods.
- Institutional cooperation in security and trade matters, including cyber-security.

We recognize that there are sensitive sectors in both countries. A comprehensive EPA framework will allow these issues to be addressed creatively, enabling progress in a wide range of areas that are critical to the competitiveness of both countries.

Japan and Canada are each seeking to join the negotiations on a proposed Trans-Pacific Partnership Agreement (TPP). The CCCE and Keizai Doyukai support taking full advantage of the current consultation phase to fulfill the objectives of our respective governments.

We look forward to the launch of bilateral negotiations at the earliest opportunity. By ensuring effective and equitable market access for businesses from both countries, a Japan-Canada EPA will revitalize the economic relationship and yield mutual economic gains in a shorter period of time and with less complexity than the proposed TPP agreement. A Japan-Canada EPA should be at least as ambitious as the TPP.