

The 29th Meeting of the Canada-Japan Joint Economic Committee

On December 10th, 2019, Canada hosted the 29th meeting of the Canada-Japan Joint Economic Committee (JEC) in Toronto. This marked the third meeting following the 2016 agreement of Prime Ministers Trudeau and Abe to revitalize the JEC framework.

The JEC was co-chaired by Mr. Jonathan Fried, Coordinator, International Economic Relations and Personal Representative of the Prime Minister for the G20, and Mr. KANASUGI Kenji, Senior Deputy Minister for Foreign Affairs. Mr. Fried chaired the meeting on behalf of Canada's Deputy Minister of International Trade, Mr. John Hannaford. Canada's Ambassador to Japan, Mr. Ian Burney, and Japan's Ambassador-Designate to Canada, Mr. KAWAMURA Yasuhisa, as well as officials from the Canadian and Japanese governments also attended the meeting.

Recalling the commitment made by Prime Ministers Trudeau and Abe in April 2019, the co-chairs agreed to work to strengthen the strategic partnership between Canada and Japan and affirmed their governments' shared vision for maintaining a free and open Indo-Pacific region. In the light of this commitment, the co-chairs highlighted the economic collaboration initiatives being taken by Canada and Japan to advance their partnership and shared interests.

The JEC provided an opportunity to commemorate the one-year anniversary of the entry into force of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The Committee acknowledged the opportunities that the CPTPP has generated for Canadian and Japanese businesses and consumers, and reaffirmed a shared commitment to support an effective, free, fair, open and rules-based multilateral trading system. It acknowledged the need for Canada and Japan to continue their work to reform the World Trade Organization (WTO). The Committee welcomed the work of the Ottawa Group and other WTO reform initiatives and affirmed Canada and Japan's commitment to continue to collaborate in this area.

The co-chairs also discussed developments and opportunities for collaboration in the JEC's current priority areas of co-operation, which are:

1. energy;
2. infrastructure;
3. science and technology;
4. tourism and youth exchange; and
5. improving the business environment and promoting investment.

The co-chairs further agreed to consider ways that Canada and Japan can jointly cooperate to advance economic development in third markets. While acknowledging their shared commitment to maintaining positive business environments, the co-chairs agreed on the benefits of an ongoing dialogue in respect of matters that are perceived to negatively affect those environments.

In recognition of the importance of bilateral trade and investment in the areas of innovation and critical minerals value chains, the co-chairs agreed to include innovation in the priority areas of cooperation at the 2020 JEC meeting and to start to consider the inclusion of critical minerals value chains. They emphasized that a flexible approach should be taken to modifying the priority areas of cooperation, which allows the JEC to focus on issues of contemporary importance. The co-chairs further agreed to

develop terms of reference for the JEC's Cooperative Working Group with a view to ensuring regular dialogue between officials in respect of JEC-related issues.

The Committee took note with satisfaction of the work of the Canada-Japan Joint Committee on Science and Technology Cooperation. The Committee also took note of plans to establish a Canada-Japan Energy Policy Dialogue.

In the light of the synergies between their economies that present opportunities for closer commercial relations and their shared trade and investment policy interests, the co-chairs agreed to continue to work to strengthen their strategic economic partnership in 2020 and beyond.

List of Progress and Future Objectives in the Priority Areas of Cooperation

During the 29th meeting of the Canada-Japan Joint Economic Committee (JEC) held on December 10, 2019, in Toronto, the delegations noted the following areas of progress, future objectives, and outcomes under the Priority Areas of Cooperation.

Energy

- Progress on LNG and other energy infrastructure projects that contribute to Japan's energy security while generating economic prosperity for both countries.
- The new Memorandum of Cooperation in the Field of Energy, signed in June 2019, covering the energy transition, oil and gas, renewable energy, energy efficiency, hydrogen, nuclear energy, and carbon capture usage and storage between Natural Resources Canada and Japan's Ministry of Economy, Trade and Industry, and the establishment of the Canada-Japan Energy Policy Dialogue, with a first meeting expected in early 2020.
- The potential for increased trade and investment, supported by Canadian minerals and metals, to grow alternative energy value chains between Canada and Japan, and fuel the transition to clean growth.

Infrastructure

- Significant investments in infrastructure that supports Canada-Japan trade, in particular the Government of Canada's \$2 billion dollar investment in the National Trade Corridors Fund.
- Further cooperation on environment-friendly infrastructure developments by Canada and Japan to promote our Asia-Pacific economic ties while welcoming the participation of Canadian and Japanese companies in infrastructure projects.
- Canada and Japan's continuing collaboration in the work of the Building Experts and the Japan Agricultural Standards Technical Committees in the areas of forest products and architectural services.

Science and Technology

- Accelerating dialogue between Canada's National Research Council and Japan's New Energy and Industrial Technology and Development Organization to encourage both business and research sectors to collaborate in technology development and commercialization.
- The opening of the National Research Council's Japan Office and its potential to facilitate research and development collaboration between innovative Canadian and Japanese organizations, both public and private.
- The establishment of Global Affairs Canada's Canadian Technology Accelerator in Japan to foster strategic partnerships between Japanese corporations and investors and Canadian tech

companies.

- Two-way investments in artificial intelligence to further develop the bilateral relationship in this and other innovative fields.
- Ongoing and future possibilities for bilateral scientific research related to earthquakes, tsunamis, and remote sensing science.

Tourism and Youth Exchanges

- Efforts to promote bilateral student exchanges by exploring opportunities arising from Canada's new International Education Strategy.
- Canada and Japan's shared commitment to increasing bilateral tourism, including through Destination Canada's ongoing commitment to the Japanese market.
- Promoting efforts to enhance youth mobility, including through the working holiday programs under the Canada-Japan Youth Mobility Arrangement, managed in Canada by Immigration, Refugees and Citizenship Canada.
- Efforts to encourage youth exchanges such as through the Japan Exchange and Teaching program and working holiday program.

Improving the Business Environment and Promoting Investment

- The benefits for businesses of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the opportunities to advance cooperation through CPTPP working groups, and shared support for the rules-based multilateral trading system.
- Canada and Japan's shared interest in proactively addressing the threat of African Swine Fever to pigs and the pork industry and to continued collaboration in this effort between the Canadian Food Inspection Agency (CFIA) and the Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF).
- Encourage increased collaboration on two-way investment promotion that leverages the Memorandum of Cooperation between Invest in Canada and JETRO.

The upcoming meeting of the Japan-Canada Chambers Council and other business missions.