

CANADA - GUATEMALA

Guatemala is the most populous of all the countries of Central America. It is third in area, being somewhat smaller than Honduras and Nicaragua, but considerably larger than these latter two in terms of its population of 9.5 million and its GDP.

Guatemala's broad economic base; its diverse endowment of rich agricultural land, hydroelectric potential, energy and mineral wealth, offer innumerable opportunities to its trading partners.

Throughout the early 1980's, Canada's exports to Guatemala expanded considerably. Prominent in this trade were Canadian engineering skills, construction expertise, oil drilling and management services. In 1992 however Canadian exports declined slightly to \$22.6 million compared to the \$22.9 million in 1991.

Guatemala's exports to Canada averaged \$35 million for much of the late 1980's and reached \$41.8 million in 1992. Coffee, fruit and clothing are the major export commodities accounting for 90% of total sales to Canada. Exports of non-traditional products including winter fruits and vegetables for the North American market and processed agricultural products are increasing. Canada's exports to Guatemala consisted primarily of agricultural, chemical, and mineral products, including wheat, milk powder, polyethylene resin, fertilizer, newsprint, telecommunications equipment, and aluminum.

Guatemala's recent economic recovery has resulted in improved market opportunities in a number of sectors, particularly construction and tourism. The heightened demand for consumer goods, agricultural products and raw materials, and the greater diversification of the Guatemalan economy in general, signify real growth potential in the two-way trade between our countries.