

partners, including with key corporations and agencies interested in developing with Canada third country trade and investment initiatives on the African continent.

### **Trade and Investment Cooperation Agreement (TICA)**

The Trade and Investment Cooperation Agreement concluded in September 1998 provides a framework for enhanced dialogue on bilateral and multilateral trade and investment matters. It established a Consultative Working Group, which had its inaugural meeting in Cape Town in October 2000. The Consultative Group identified market access issues in connection with trade and investment opportunities such as: co-operation in the resumption of WTO negotiations, entry into force of the signed Foreign Investment Protection Agreement, clarification of rules affecting foreign investment in the mining sector, and the issue of delays in obtaining work and residence permits for representatives of Canadian firms based in South Africa.

To follow-up in Canada, steps will be taken to hold meetings with business associations to exchange views about the mechanism and ensure that it becomes a useful tool for Canadian industry.

### **Market Access Results in 2000**

- Canada was successful in negotiating a favourable tariff reclassification applicable to off-road vehicles (dump trucks), which improved the competitive situation of Canadian suppliers.
- Foreign suppliers, including Canada, have been monitoring attempts by the local industry to raise duties on imported malt barley.
- Under a funding agreement with the Canadian International Development Agency (CIDA) Canada has been assisting South Africa in developing an industrial strategy in the information technology sector, with a view to promoting more private sector involvement, both local and foreign, in emerging information technology market opportunities.

### **Canada's Market Access Priorities for 2001**

- continue to press the South African authorities to clarify and streamline the rules applicable to exchange controls affecting potential mergers between South African and Canadian firms;
- ensure full clarity on countertrade requirements (both military and civilian) on large procurement contracts, which have in the recent past created transparency problems;
- monitor Canada's competitiveness in South Africa in the light of the recent South Africa/EU Free Trade Agreement which offers more favourable trading conditions to European suppliers;
- seek to eliminate the protectionist registration policies that prevent foreign educational institutions from entering the South African market;
- continue to press for the ratification of a Foreign Investment Protection Agreement.