

Letter to Provincial and Territorial Ministers

In September 2000, at the Canada-Central America Summit, Prime Minister Chrétien and the Presidents of El Salvador, Guatemala, Honduras and Nicaragua agreed to pursue a free trade agreement between Canada and Central America. The Government of Canada believes that ongoing, broad-based consultations with the provinces and territories, the business sector, and the public at large are essential in regards to this initiative. I am therefore writing to seek your views on the scope of a free trade agreement between Canada and Central America.

In 1999, Canada exported \$212 million worth of goods to El Salvador, Guatemala, Honduras and Nicaragua and imported goods worth about \$251 million. Recent trade and economic developments in Central America will offer increased opportunities for Canadian participation in sectors where Canadian companies have proven expertise. There is significant potential for Canadian companies in several priority export sectors such as telecommunications, environmental equipment and services, foodstuffs, automotive parts, and construction material. Canadian exports include financial services, wheat, telecommunications equipment, newsprint and other paper products, potash, processed foods, fruits and vegetables, and plastics. Canadian imports include fruits and vegetables, textiles and apparel, sugar, electronic components, tobacco and coffee.