

A STRATEGY FOR OUR NORTH AMERICAN PARTNERSHIP

- use our expanded number of missions in the United States, and the Secretariat in our Washington Embassy, as a strategic network to engage key opinion formers and decision makers.

ENHANCING RELATIONS WITH MEXICO

Mexico is of increasing importance to Canadians. The percentage increase in Canada-Mexico trade and investment since NAFTA entered into force in 1994 has been even more dramatic than the percentage increase in trade with the United States. Canada is now Mexico's second-largest export market and Mexico is Canada's sixth. In the past decade, our terms of trade have trebled in a commercial relationship that remains notably free of irritants. Our people-to-people linkages have grown as well, and in both directions. As it continues to consolidate its democratic transition, Mexico has actively sought our advice and support in modernizing its governance structures and practices. We have encouraged a growing convergence of views on foreign policy issues and greater engagement by Mexico in hemispheric and global affairs. As Canadians, we now recognize, as we perhaps did not

before, that a strong, stable Mexico is essential for the sustained prosperity and security of our neighbourhood. Under the Canada-Mexico Partnership, a forum has been established to strengthen economic cooperation and promote private and public sector dialogue. Both countries are committed to expanding ties on all levels.

ADVANCING OUR ARCTIC GOALS

The Northern Dimension of Canada's Foreign Policy provides an ongoing framework for Canada to take a leadership role in the circumpolar world. As part of the first-ever comprehensive domestic strategy for the North designed to enhance the security and prosperity of Canadians, especially northerners and Aboriginal peoples, the Government will work with the Arctic Council, circumpolar nations and other involved countries to enhance our sovereignty and protect the people and fragile environment of the Arctic. This will be done in collaboration with northerners and based on sound scientific research, with a special emphasis on exploring adaptation to the impacts of climate change. Canada will also take advantage of the International Polar Year in 2007-2008 to promote scientific knowledge and the people-to-people dimension of polar stewardship.