

Korea

Canada and Korea are in the process of solidifying a special partnership. The idea was first broached at the 1993 APEC Summit between Prime Minister Chrétien and President Kim Young Sam, and followed by former International Trade Minister MacLaren's visit to Seoul in April 1994. The special partnership is already investigating market access and industrial co-operation issues, which should lead to strategic alliances and investments.

Canada's trade and economic mission revolves around the Korea Strategy, consisting of the following five objectives:

- increasing trade in manufactured and high-technology products;
- expanding agriculture-food exports through continued encouragement of Korea to address market access issues and give priority to processed/value-added goods;
- increasing two-way investment;
- promoting co-operation/partnerships between Canadian and Korean firms pursuing third-market opportunities; and
- establishing stronger long-term and commercial links in newly emerging services and technologies sectors.

Korean information technologies and telecommunications markets have been expanding at about 20 percent per annum on average for the past three years. Ongoing liberalization, coupled with improving intellectual property rights in Korea, should result in increased interest by foreign equipment and services suppliers.

Korean manufacturing of transportation equipment is growing at a pace unprecedented in the country's history. In the short term, this is a high-profile sector with a focus on aerospace, aviation, marine and automotive activities. Korea will soon upgrade air traffic control and airport facilities. Canadian firms have been successful in transportation-related services.

The power and energy sector is important for maintaining Canada's role as a major trading partner with Korea. There are opportunities in CANDU-related equipment and support, and electrical transmission and distribution. There is also potential for strong and significant partnerships with Korea in vital third markets.

Environmental technologies, equipment and consulting services represent a key sector where success has been achieved by a number of smaller firms. The Canadian Embassy in Seoul has a program to promote Canada's profile in bilateral exchanges, and in academic and industrial activities. A strength of Canadian companies has been in services, where there is a significant role to be played by consultants.

There are also opportunities for the export of Canadian agriculture and food products. Korea's agricultural base does not allow for increased production of commodities and foodstuffs that consumers demand. Value-added food products with excellent potential include bottled water, honey, confectionery products, bakery mixes, processed meats, spirits (liquors and wine) and fish meal products.

Korean defence spending is continuing to grow, and the government is attempting to diversify its suppliers, providing a promising opportunity for Canadian defence companies. Korea is presently Canada's third-largest overseas market for defence equipment.

Tourism is also a high-growth industry for Korea, with spectacular growth in excess of 96 percent in just one year. The dramatic increase in traffic between Korea and Canada is attributed to Air Canada's new routes to Korea and the elimination of visitor visa requirements.

Taiwan

Due to the massive scale of Taiwan's National Infrastructure Development Plan, there are abundant market opportunities within the infrastructure sector (building materials, construction, engineering and consulting industries). There has also been a boom in demand for consumer products, including imported durables.

The rising cost of labour and an appreciating currency are forcing Taiwanese industry to rationalize and improve production automation and quality in order to remain globally competitive. As a result, there is significant potential in advanced equipment technologies, environmental goods and services, and engineering consulting services.

Taiwan is positioning itself to open a Regional Operation Centre in this decade. This long-term, ambitious goal will foster commercial opportunities for Canadians in the areas of telecommunications, financial services, transportation (air and ship) and media broadcasting.