

CANADA - EL SALVADOR TRADE

Canada-El Salvador bilateral trade is on a steady path of growth and diversification. Canada's exports to El Salvador which increased and diversified during the 1980's; have over the past four years, averaged anywhere from \$10-15 million. The end of the civil war and signing of a peace accord in 1992 will undoubtedly improve and increase the trade environment between Canada and El-Salvador.

El Salvadorian reconstruction offers interesting opportunities for Canadian exporters especially for industrial raw materials such as chemicals and plastics, newsprint and parts for machinery. Opportunities for increased exports also exist in the agricultural sector, specifically, agrochemicals, genetic material and veterinary medicines and equipment. The market is also open to many other products, in particular, construction materials, medical supplies, transport, telecommunications equipment and electronic goods. Canada has a good reputation in El Salvador and, while exporters have to be imaginative when it comes to transport, this market of 5.3 million people could be interesting and lucrative for those able to respond to El Salvadorian needs.

Total El Salvadorean exports to Canada in 1992 amounted to \$12.5 million, a fall of 21% compared to 1991. The overall composition of El Salvador's exports to Canada has traditionally been dominated by agricultural products; however, there are indications that this commodity structure is diversifying. This seems to be apparent in the manufacturing sector, which is growing in strength and garnering an increasing share of total exports in electrical parts and textiles.