

make investments in Canada in memory chip fabrication plants. Such corporate liaison activity can generate real opportunities in both trade and investment in this sector.

particularly those associated with sports and outdoor activities.

Challenges

Our main challenges are to:

- increase the awareness of Korean investors of the industrial sophistication of Canada which is comparable to the USA and Europe;
- demonstrate that we can offer a comparative advantage through better technology, a more productive labour force, an adequate infrastructure and a favourable overall investment climate;
- create and maintain a high level of business interest in Canada as a competitive investment location;
- identify opportunities for business alliances, such as joint ventures and licensing agreements that can increase exports and investment and cooperation in third countries.

Implementation

Korean investment in Canada over the years has centred around the natural resources and manufacturing sectors. Highly-publicized failures by Hyundai and Sammi have not been helpful to those promoting the advantages of Canada as a safe investment location in North America. In this context, key components of the Canadian Embassy's investment program will continue to include:

- use of high-level visits and meetings (in Korea and in Canada) to promote Canadian investment and business opportunities;
- wide promotion of Canada as a site for the semiconductor industry;
- introduction of Korean chaebols to Canadian high tech firms and to those with expertise in infrastructure development (e.g., mass rapid transit, environmental services) as a means of assisting growing Canadian firms by leading them into expanding markets in Korea and the rest of Asia;
- translation of all promotional materials into the Korean language.

There are over 15,000 Korean students currently studying in Canada

- **Medical and health care products** continue to enjoy rapid expansion. There are good opportunities for joint ventures to supply the Korean market for surgical equipment, diagnostic and detection equipment and generic pharmaceuticals. There is scope for attracting Korean firms to develop research bases in Canada as they cannot keep up with the demand for new technologies and cost containment.
- **Biotechnology:** The Korean government has identified biotechnology as a key technology and is financing R&D and seeking technology overseas. There is scope for Canadian firms to promote their technology in Korea and to make the case for investing in Canada.
- **Natural resources:** There have been investments in coal and zinc mining in Canada but there is considerably more scope for encouraging Korean investors into Canada's resource sector, not only to secure sources of supply but also to develop mines and processing plants to serve third country markets.
- **Agri-food:** Canada has achieved substantial growth in exports over the past few years. As market access barriers come down and Koreans become more aware of Canada as a supplier of high quality food products, then investment prospects will proceed hand-in-hand with sales as the close business relationships essential for doing business with Koreans develop. There is also room for Koreans to invest in food production in Canada based on land and processing facilities.
- **Education:** There are over 15,000 Korean students currently studying in Canada. On average, they spend \$30,000 dollars each per year in Canada, injecting about C\$450 million into the Canadian economy. Apart from the immediate benefit to our economy, this has long term significance for investment in Canada, as former students move into managerial positions in business while maintaining links to Canada.
- **Tourism:** There is scope for attracting Korean investment into hotels and resorts,