

More importantly, the lifting of sanctions now permits Canadian companies and banks to engage in investment and financial transactions with South Africa. In fact, the presence here today of senior representatives of two of Canada's leading commercial banks underscores our commitment to service this market appropriately.

Other mission members are here to investigate a whole range of opportunities, including joint ventures, technology transfer, licensing arrangements, project management expertise, distributorships and agency agreements. In a more general sense, we are all here to learn more about the South African marketplace, its strengths, requirements, as well as its *modus operandi*.

I am sometimes asked what level of investment do I foresee Canadians placing in South Africa. Understandably, I do not have a specific answer at this time, but I can make a few general observations.

Trade tends to be a first step for many companies seeking to establish or re-establish themselves in a market. Frequently, as a second step based on success in that market, a company may seek to enter into other business relationships that may involve equity or non-equity participation. Several of the mission members (including SNC Lavalin and Lardel Holdings) have already entered into these types of relationships.

Ultimately, much will depend on the economic climate in Canada and in South Africa, and the competing demands for capital internationally. As well, many Canadian companies are monitoring the political and economic developments in South Africa, particularly in light of the upcoming elections and the changes anticipated thereafter.

But, if I may share my conviction based on discussions with the Canadian business community, there is an overall openness to investing in South Africa now that Canada's investment sanctions are lifted. Individual companies will continue to make decisions based on the merits of the specific investment opportunity and the attendant risks and rewards. Institutional investors are now beginning to review the South African market in order to determine how they wish to participate.

In this respect, South Africa, with its superior infrastructure, sophisticated financial sector, diverse economy, growing consumer market, wealth of human resources and convertible currency, is an attractive destination for Canadian investors who are seeking investment opportunities overseas, particularly in Southern Africa.