

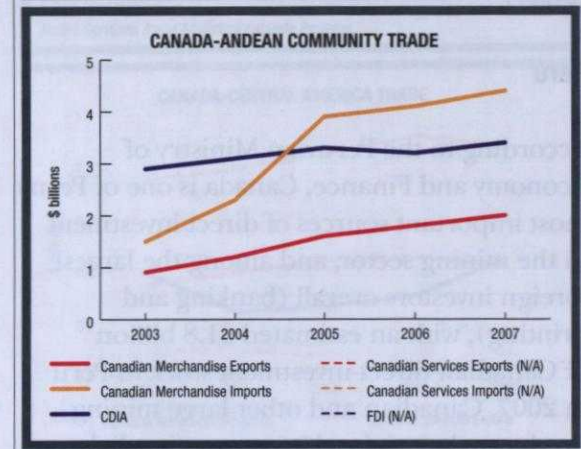
Opening Doors to Latin America and the Caribbean

In 2007, Canada and Chile celebrated the 10th anniversary of the Canada-Chile Free Trade Agreement (CCFTA). The CCFTA is the cornerstone of our important commercial relations with Chile, one of the most open and stable economies in the region. Given Chile's extensive network of free trade agreements, many Canadian companies consider that market to be a gateway to regional markets. Two-way merchandise trade has more than tripled since 1997,¹⁰ and Chile ranks second in the region only to Brazil as a destination for Canadian merchandise exports. According to Chilean data, Canada has been the largest source of new direct investment in Chile in each of the past three years, and remains the third largest source of accumulated investment behind the U.S. and Spain.

Negotiations on new CCFTA chapters on government procurement and financial services have been concluded and await ratification. The Canada-Chile Partnership Framework, signed in July 2007 by Prime Minister Harper and Chile's President Bachelet, encourages both countries to conclude memorandums of understanding on S&T cooperation and bilateral investment promotion.

Andean Community

	2007	Percentage change since 2006 (%)
Population	126.6 million	1.7
GDP estimate	\$613.4 billion	-
Canadian Merchandise exports	\$2.0 billion	13.7
Canadian Services exports	-	-
Canadian Merchandise imports	\$4.4 billion	7.0
Canadian Services imports	-	-
CDIA	3.4 billion	9.1
FDI	-	-



Canada has held four negotiating rounds with Peru and Colombia, and has successfully concluded talks with Peru. For more information, please see Chapter 4, "Regional and Bilateral Free Trade Agreements and Other Initiatives." Colombia and Peru have completed FTA negotiations with the United States, Canada's main commercial competitor in the region. The U.S.-Peru FTA has been ratified.

¹⁰ As the CCFTA entered into force in 1997, 1996 is used as the base year.