

and the number of consultations, formal and informal, between the respective officials has multiplied greatly. Senior officials meet regularly to exchange views on foreign policy issues and to take stock of the various elements of the bilateral relationship. There is a separate consultation mechanism involving regular meetings of officials in the energy field.

**Trade and Investment.** After Mexico and Brazil, Venezuela is Canada's largest trading partner in Latin America. **Canadian exports**, which have grown consistently over the past three years amounted to over \$ 300 million in 1992. The major exports are agricultural products (mainly wheat, plus peas and beans and potatoes), forest products (newsprint, wood pulp, paper products) and motor vehicles and parts. There is also a significant and growing market for Canadian consultants and manufactured products in the environmental, power and transportation sectors.

Venezuelan exports to Canada, \$ 335 million in 1992, predominantly (95%) comprised **petroleum**. This represents about 6% of Canadian oil imports. This proportion has declined in the past few years but Venezuela still is the third largest source of Canadian oil imports, following Saudi Arabia and the North Sea.

Canadian **direct investment** in Venezuela is estimated to be about \$ 100 million mainly in pulp and paper, hotels and tourism, mining and distilling. A Foreign Investment Protection Agreement and a Double Taxation Treaty, both now being negotiated, will further improve the investment and trade climate for Canadian forms.

**Tourism.** Since the mid 1980s, Canadian tourists have been coming to Venezuela at the rate of about 40,000 per year although last year there was a sharp drop, to 30,000, as Canadians seemed to overreact to the news of Venezuelan coup attempts (which never directly affected the main tourist areas). Canadians still represent 7 to 10 percent of all foreign tourists in the country. The great majority go to Margarita Island and the Puerto La Cruz area. In these areas, there is also a considerable, and growing amount of Canadian investment in the tourism sector, mainly in hotels and apartment buildings. Moreover Canadian tour operators have been pioneers in developing the Venezuelan market. Approximately 10 to 11 thousand Venezuelan tourists visit Canada per year.