

- Continued market access was achieved for Canadian pork, despite the individual plant inspection approval system in Panama.

Canada's Market Access Priorities for 2004

- Conclude free trade agreement negotiations with El Salvador, Guatemala, Honduras and Nicaragua (CA4).
- Pursue efforts to obtain system-wide approval from Costa Rica and Panama for Canadian meat exporting establishments, rather than continue with the inspection of individual plants, which is costly and onerous for Canadian exporters.
- Monitor the development of Salvadoran and Guatemalan regulations affecting business operations and foreign investment; provide advice to Canadian exporters; and lobby the Salvadoran government, when necessary, on behalf of Canadian export interests.
- Ensure better protection and promotion of Canadian investments in the CA4 countries through inclusion of a comprehensive investment chapter in the Canada-CA4 Free Trade Agreement.
- Continue representations aimed at removing El Salvador's and Guatemala's BSE measures on imports from Canada, including Guatemala's unjustified measures on pork.

COSTA RICA

In 2003, bilateral trade totalled \$363 million, with Canadian exports valued at \$68 million and imports at \$295 million. The main Canadian exports to Costa Rica are newsprint, fertilizers, machinery, optical and medical equipment, synthetic filament, electrical machinery, furniture, plastic, meat, oil and fresh produce. Canada imports mainly fruit, sugar, coffee, preserved food, integrated circuits, office machines and medical instruments. Canadian investment is approximately \$375 million and is concentrated in the hotel and tourism industry, banking, newspaper media, mining, environmental technologies and hydroelectric power. Canadian exporters and investors are pursuing opportunities in priority sectors such as agriculture and agri-food, construction and building materials, environment, information and communication technologies, tourism, energy and road infrastructure.

The Canada-Costa Rica Free Trade Agreement (CCRFTA) has become the cornerstone of our increasingly important trade and investment relationship with Costa Rica. Our bilateral trade has increased by 12% since the CCRFTA entered into force on November 1, 2002.

Other agreements that contribute to the improvement and enforcement of standards are the Canada-Costa Rica Agreement on Environmental Cooperation, which provides for technical cooperation to strengthen environmental management systems and expand the participation of the public in environmental policy making, and the Canada-Costa Rica Agreement on Labour Cooperation, which establishes a work program and a process designed to enable the public to raise concerns about the effective application of labour law in the other country.

CENTRAL AMERICA FOUR: EL SALVADOR, GUATEMALA, HONDURAS AND NICARAGUA

In 2003, two-way trade in goods between Canada and the Central America Four (CA4) totalled \$542 million. Canadian exports to the CA4 accounted for \$212 million, while imports stood at \$330 million.

Free trade negotiations with the CA4, which were launched by the Minister for International Trade on November 21, 2001, continued to progress through ten rounds of formal negotiations and are expected to conclude in 2004. Parties are negotiating a comprehensive agreement covering market access for goods and services, investment, financial services and government procurement. Key Canadian interests include telecommunications goods and services, environmental equipment and services, value-added processed foods, automotive parts, and construction equipment and services. Parallel agreements on labour and environmental cooperation are also being pursued.

EL SALVADOR

El Salvador is an economic engine of Central America. Home to the region's largest banks, it also features a modern infrastructure for telecommunications and shipping. In 2003, two-way trade in goods between Canada and El Salvador totalled \$91 million. Canadian exports to El Salvador accounted for \$46 million, while imports stood at \$44 million.