

The focus for Canadian investment is on the oil, gas, mining and minerals sectors and in the countries of Indonesia and Singapore.

The ASEAN-Canada Business Council (ACBC), created in 1986 by the Canadian Chamber of Commerce and the ASEAN Chambers of Commerce and Industry, continues to promote business relationships between Canada and the countries of ASEAN. In October 1990, the ACBC conducted a successful seminar in Calgary on ASEAN business opportunities, in conjunction with the visit of ASEAN foreign ministers to Alberta.

INDOCHINA

As the Cambodian conflict continued into its twelfth year, Canada maintained a dual-track policy of active involvement in the peace process while addressing the humanitarian aspects of the conflict.

In the wake of the Vietnamese withdrawal from Cambodia, in March 1990, Canada announced that it would resume official development assistance to Vietnam, Cambodia and Laos. In May, Canada became one of the first Western countries to announce that it would no longer support the claim of the Cambodian resistance to the Cambodian seat at the UN.

VIETNAM

Relations with Vietnam improved in the wake of ongoing Vietnamese economic reforms and the Vietnamese withdrawal from Cambodia. As a result of the withdrawal, Canada reestablished the eligibility of Vietnam for official development assistance in March 1990, and a modest aid program is being developed.

Canada is now the fifth largest investor in Vietnam with over US\$112 million committed to projects there. In January 1991, Mr. Crosbie became the first Canadian minister to visit Vietnam in 19 years.

Two-way trade between Canada and Vietnam increased by 30 percent to \$22.6 million in 1990/91, due mostly to a phenomenal 168 percent growth in exports in Vietnam over the previous year. Penicillin and antibiotics, radio receivers, plastic, rugs and machinery comprise major Canadian export items, with total exports reaching \$7.5 million in 1990. Major Canadian imports included fish, clothing and invertebrate shellfish.

Canadian oil companies are involved in exploration and supply of products and services to Vietnam. Engineering firms are working on feasibility studies for reconstruction projects.

SOUTH ASIA: INDIA, PAKISTAN, BANGLADESH, SRI LANKA, NEPAL, AFGHANISTAN AND MYANMAR

The population of South Asian countries exceeds one billion, approximately 20 percent of the world's total.

India, with a population of almost 850 million, is now the world's ninth largest economy. It faces domestic political difficulties in Assam, Punjab and Kashmir.

The new Pakistani government of Prime Minister Nawaz Sharif is committed to economic liberalization and the educational and health needs of the country. A negotiated settlement and a stable Afghanistan would contribute to peace and security in Pakistan and the region, thus permitting the return of the estimated 1.5 million refugees in Iran and the 3.5 million in Pakistan.

Canada and other members of the international community have raised concerns over human rights abuses in Sri Lanka where fighting continues between government forces and Tamil secessionists. Bangladesh continues to grapple with widespread poverty compounded by major loss of life and economic disruption caused by cyclones and floods, and has recurring requirements for international aid. Through the Canadian International Development Agency (CIDA), the Department has supervised Canadian relief efforts.

Elections in Nepal have introduced democratic government to that country for the first time in over 30 years.

The State Law and Order Restoration Committee of Myanmar is essentially immune to international pressure due to substantial revenues from oil exploration and timber concessions. Human rights abuses cause particular concern to Canada and other countries.

Canada has sought to encourage the democratic process and respect for human rights throughout the South Asian region, to ensure regional stability through the resolution of various conflicts, and to support measures to promote economic liberalization and growth. Canada seeks to influence the policies of South Asian countries and promote those values through trade and immigration programs, and development assistance to eligible countries.

During the year, both Madame Landry and the Minister for Employment and Immigration, the Honourable Barbara McDougall, paid official visits to South Asia.

In October, Ottawa hosted the Sri Lankan Minister of Plantation Crops and the Minister of State for Defence on an official visit.