

exports to Mexico. The framework for economic cooperation that the Agreement provides has led or is leading to the formation of a number of sector specific cooperation agreements or committees (on urban transportation, space communication and agriculture) whose activities in concert with the Canadian private sector can be structured to foster the growth of Canadian exports. Likewise close cooperation between ITC and the Canada-Mexico Businessmen's Committee of CALA holds similar promise. In embarking upon this strategy, it is recognized that a mutually beneficial trade relationship stems from the ability of both partners to take into account one another's aspirations.

5. The Overall Strategy

The market development plan for Mexico consists of an inventory of new and existing instruments which will be used by the Federal government to assist Canadian exporters in increasing their penetration of the Mexican import market. The inventory results from the assessment of needs in export development which are intended to capitalize on opportunities and overcome constraints deemed to exist in that market from the Canadian perspective. A complete Action Plan for Mexico follows this Executive Summary.

Continued heavy use of the fairs and missions program is planned with emphasis being placed on the six priority sectors identified above. Considerable importance will be attached to maintaining the appropriate frequency of ministerial and other high level government to government visits. The PEMD program will be promoted more intensively. This applies particularly to Section F which can help a company sustain the on-going analysis and market development activities necessary to succeed in the Mexican market. Emphasis will also be placed on maintaining and/or creating active bilateral cooperation committees such as the one that exists for urban transportation.

With respect to financing, existing EDC lines of credit notably the \$500 million credit with NAFINSA will be publicized while opportunities to establish new ones, such as the successful mining equipment line with IMMSA, will be investigated. An analysis will be done on why the PEMEX lines of credit did not move and why at the same time PEMEX appears interested in new EDC credits. On-going and successful EDC lending programs will be continued. At the same time, should competitor activity so justify, recourse will be made to Canada's new credit mixte facility. Every effort will be made to expand the use of the INC program of CIDA and the Young Technicians program of External Affairs and to have these programs become more responsive to Canada's export market development activities in Mexico.