

Prosperity

Objective: to build dynamic and growing economies, and promote responsible investment and open markets that will create new opportunities and jobs

Until the current global financial downturn, the Americas had experienced several years of sustained economic growth, with significant evolution in the macroeconomic policies of most countries demonstrated by greater openness to trade and investment. According to the Economic Commission for Latin America and the Caribbean (ECLAC), the regional domestic growth rate was 4.6 percent in 2008.

In this region of dynamic economic opportunities, Canada is pursuing robust bilateral and regional free trade agreements (FTAs), double taxation agreements, foreign investment protection agreements, stronger financial and banking institutions, and a development assistance agenda.

Canada's experiences with the North American Free Trade Agreement (NAFTA) and FTAs with Chile and Costa Rica have

resulted in wealth and job creation in all the countries involved. Based on these results, Canada signed FTAs with Peru and Colombia in 2008. These initiatives also include parallel agreements on labour and environment standards that commit Canada and its partners to working together to ensure high levels of protection for workers and the environment.

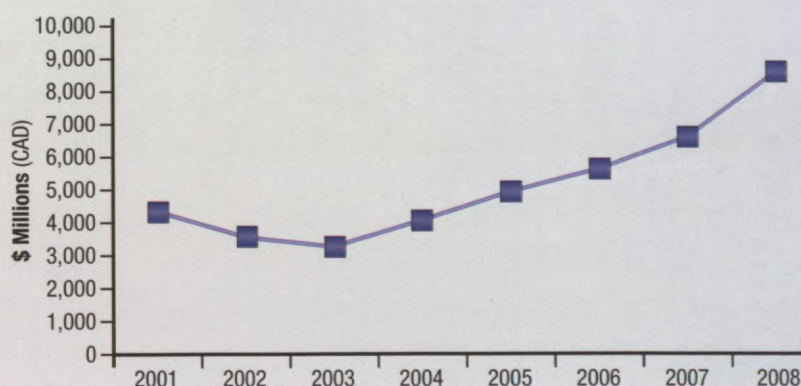
Canada is also currently advancing the negotiation of FTAs with Panama, Dominican Republic, the Caribbean Community (CARICOM), and the Central America Four (Guatemala, Honduras, Nicaragua and El Salvador). To advance Canada's commitment to trade liberalization, CIDA has developed an \$18 million Trade-Related Technical Assistance (TRTA) Program to assist FTA partners in the Americas. This support will assist partners in maximizing the benefits of increased

trade and investment as means to reduce poverty and promote sustainable development.

A snapshot of trade and investment in the region

- The relationship between **Canada and Brazil** has advanced through the years. They are among the top 10 largest sources of FDI in each other's economies, and both are major exporting nations and energy producers. Canada has identified Brazil as a priority market in its Global Commerce Strategy, and is increasing its presence in Brazil by opening two additional trade offices in 2009, in Porto Alegre and Recife, for a total of five. Similarly, Brazil's Export and Investment Promotion Agency (APEX) has made Canada one of its top priority markets in 2009. The recent purchase of Inco by Vale of Brazil has propelled Brazil to the rank of seventh-largest source of FDI in Canada and the largest source from Central and South America.
- Merchandise trade between **Canada and Chile** has more than tripled since the Canada-Chile Free Trade Agreement came into force in 1997, growing to \$2.5 billion in 2008. According to Industry Canada, Canada is the largest source of foreign investment in Chile's mining sector.

Canada's merchandise exports to Latin America and the Caribbean, 2001-2008*



*Excludes Mexico

Source: Statistics Canada (Preliminary data subject to revision)