

the large number of opportunities available to Canadian firms in the Mexican markets. On-site sales of over \$ 2 million and projections of over \$ 50 million in new business over the next 12-18 months augur well for improved export performance by Canada in the near term.

It is expected that Canada-Mexico two-way trade could exceed \$ 5 billion per year by the latter part of this decade. Improved access to Mexico, as a function of both its dynamic growth and greater liberalization envisaged under NAFTA, will provide increased opportunities for Canadian exporters to participate fully in local economic development. Firms such as Northern Telecom, MITEL, Sydney Steel of Nova Scotia, Husky Injection Moulding in Bolton, Ont., Genicanam Ltee. of Ste. Hyacinthe, Que., Norev Canada of Sudbury, Ont., Pro-Eco Engineering in Mississauga, Valiant Machine Tool of Windsor, Dare Foods in Kitchener, Woodlyn Farms in Delaware, Ont., X-Can Grain from Winnipeg, and Chemetics Ltd. in Vancouver i.a. are among the exporters actively engaged in the expansion of already significant sales levels in Mexico, working principally with customers in the private sector.

Support for Private Sector Marketing Efforts

Expanding Canadian manufactured exports to Mexico have benefited from strong support from EAITC. Government initiated trade promotion activities have been organized across sectoral lines, with mining equipment, telecom, computer software, agriculture and food products, plastics, metalworking and machine tooling, and advanced technologies, including geographic information systems, featured prominently in the fifteen (15) events implemented annually in Mexico by the Department. This program has been a key element in the introduction of small and medium sized Canadian firms to the Mexican market, where we anticipate future export growth to result.

The Export Development Corporation (EDC) also play a key role in supporting Canadian marketing efforts. EDC currently has available over US \$ 750 million in commercial lines of credit with Mexican commercial banks, development banks and state corporations such as PEMEX and CFE, the state oil and electrical companies respectively, to facilitate the procurement of Canadian products and services. These financing mechanism have proved particularly crucial in supporting market entry by new exporters, who have been able to direct their customers to Mexican banks in order to access EDC credit facilities.

The Business Cooperation Program of CIDA (CIDA INC) has also assisted a growing number of Canadian firms in Mexican market efforts. The requirement to engage in joint venture and technology transfer agreements with Mexican partners has, in particular, emerged as a key consideration for Canadian firms seeking to expand