

# News Release

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## CANADA, CHILE TO SEEK INTERIM TRADE ACCORD TO FACILITATE CHILE'S NAFTA ACCESSION AND ENHANCE TRADE

The Honourable Roy MacLaren, Minister for International Trade announced today that the governments of Canada and Chile have agreed to pursue an interim bilateral trade agreement that will enhance trade and investment between the two countries as well as facilitate Chile's accession to the North American Free Trade Agreement (NAFTA).

Mr. MacLaren said the two countries have agreed to begin work by mid-January on a bilateral accord that will encompass trade in goods, services, investment and dispute settlement.

"Canada and Chile are both committed to the successful negotiation of Chile's accession to the NAFTA," Mr. MacLaren said. "But since these talks cannot currently proceed as quickly as we all would prefer, because the U.S. Administration and Congress have not yet agreed on 'fast-track' negotiating authority, we have decided to seek an interim bilateral agreement. This agreement will provide a bridge to full NAFTA accession for Chile and will be folded into the NAFTA once the accession negotiations are eventually completed."

Mr. MacLaren noted that Canada has a clear interest in strengthening economic relations with Chile since bilateral trade and investment ties are increasing and the Chilean market offers a range of opportunities for Canadian producers of goods and services as well as investors.

Canadian exports to Chile continue to grow, amounting to \$264.6 million in the first nine months of this year. Imports in the same period were also up, at \$233.2 million. Canadian annual exports are expected to exceed the \$314.4 million achieved last year. Canada is also one of the largest foreign investors in Chile, with total current and planned investment amounting to \$7 billion in mining, telecommunications, energy distribution, light manufacturing and other industries.



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