

In strategic terms, the following aspects of Canada's political relationship with India warrant continued attention to support Canada's economic interests:

Visits: High-level visits such as the successful visit by the Minister for International Trade in October, 1994 and the Secretary of State (Asia-Pacific) in March, 1995 send strong signals to India that Canada is interested in pursuing closer relations. Follow-up visits by the Prime Minister, the Minister for International Trade, and other ministers with responsibility for the environment, energy, and industry will raise the profile of Canada's relations with India and help focus attention on areas of particular interest to Canada. Visits by Indian ministers to Canada will also help achieve these goals. Similarly, visits by provincial trade ministers and accompanying trade missions should be encouraged.

Consultations: Regular, annual political-economic consultations at the senior-officials level would also enrich Canada's bilateral relations with India. These consultations provide an opportunity to discuss particular problems such as market access issues, or initiatives regarding our commercial interests. As Canada-India commercial relations expand, separate political and economic consultations could be held.

Public Affairs: Promoting Canada in India through the arts and the media is important to Canada's bilateral relations. Indian perceptions of Canada, and vice-versa, are affected by such efforts. The Shastri Indo-Canadian Institute has been working for over 25 years in cultural and academic areas. It is seeking to enhance its mandate and establish relations with the business sector.

Diplomatic Presence: The High Commission in New Delhi and the Consulate in Bombay are very important aspects of Canada's strategy because of their on-going contact with the Indian government and private sector. This is the sharp end of Canada's relations with Indian decision-makers. The addition of one new Trade Commissioner position at each mission in 1994 was a positive step. An expanded presence, through an Honourary Consul with attached commercial officer in Bangalore, will serve to raise Canada's profile in another region of India.

III. Economic/Trade Relations

Canada has a number of economic co-operation arrangements with India, including an agreement for the avoidance of double taxation, an air services agreement, and a general agreement on development co-operation. To strengthen Canada's economic relations with India, bilateral consultations and formal mechanisms are needed to build trade and investment linkages. The primary objective would be to gain more secure access for Canadian exports and investment. The following co-operation agreements merit high consideration.

Foreign Investment Protection Agreement (FIPA): India is on Canada's priority list for the negotiation of a FIPA. The first round of negotiations was held in Delhi in