

An important measure in the expansion of Canada-Mexico economic relations is the anticipated increase in Canadian direct investment, which will expand exports and commercial linkages between our respective private sectors. Canadian direct investment in Mexico continued to grow in 1992 and now totals over \$500 million. New opportunities resulting from the privatization program of the Salinas administration, which has so far seen the sale of over 1,000 state enterprises, are expected to attract increased Canadian capital to Mexico. The most likely sectors of concentration for Canadian entrepreneurs are mining, agro-industry, food, transportation, the environment and tourism development. Investment Canada is also developing a program to encourage Mexican investment in Canada. The improving economic climate in Mexico, coupled with continued market reforms and the streamlining of regulations covering trade and investment anticipated under the NAFTA, make this a key market of opportunity for Canadians "in our own backyard". EAITC has organized a trade promotion program in Mexico directed at specific sectoral opportunities, to introduce as wide a cross section as possible of potential exporters to the marketplace.