

CANADA-PARAGUAY TRADE

Canada's bilateral trade with Paraguay during the 1980s and into the 1990s has been modest in volume. The total two way trade in 1991 amounted to \$2.2 million and to \$4.9 million in 1992, representing an astounding 45% increase. By March of 1993, Canadian exports to Paraguay have already totalled \$1.6 million, compared to \$0.3 million for the same period in 1991. This variation is due primarily to the growth of Canadian exports to Paraguay.

Paraguay's exports to Canada are dominated by coffee; it is the dramatic decline in this commodity that has been responsible for the sharp reversal witnessed in the balance of trade between the two countries. In 1986, Paraguay shipped \$6.2 million worth of coffee to Canada; just two years later that figure had fallen to \$1.8 million.

Leather, meat and fish extracts, juices, chinawood oil or tung oil and tea complete the list of Paraguay an exports to Canada.

In 1992, the principal Canadian export items to Paraguay included telephone equipment (\$0.34 million); woven fabrics (\$0.25 million); and parts and accessories of chain saws (\$0.2 million).

Traditionally Canada-Paraguay trade has been modest, given the limited contact between our two countries. Canada has been endeavouring to foster more trade links with Paraguay to respond better to emerging market opportunities.