

\$2.3 billion from the USA. Nonetheless, liberalization measures are accelerating Korean FDI inflows (approvals for each of the last three years exceeded US\$ 1 billion versus an annual coverage of \$200 million during the early 80's.

Total direct investment by Canadian companies in Korea at the end of 1989 was a mere US\$ 7.5 million, according to official Korean figures. However, there will be a substantial increase in 1990 due to the start-up of an insurance joint venture by Manufacturers Life. In addition, Canadian companies have signed a variety of technology licensing agreements. Recent USA pressure on Korea to ease its localization requirements could help in opening the doors for all foreign investors. Canadian direct investments and joint ventures totalled 21 at the end of 1989 and included:

**Bank of Montreal
Royal Bank of Canada
Bank of Nova Scotia
National Bank of Canada
International Nickel Company
Seagrams
Velan Engineering
Hammond Manufacturing
Kenhar Ltd.**

Significant technology transfer agreements with Korean firms have been signed by Northern Telecom, Dupont of Canada, Alcan, AECL and Canadian Marconi.