

services, a broad range of financial services and other business services. In terms of horizontal services commitments, Canada would like to see improvements in Saudi Arabia's services offerings, regarding the types and level of foreign commercial presence permitted and people's ability to enter Saudi Arabia on a temporary basis to provide services, either as individuals or as representatives of Canadian services firms.

SOUTH AFRICA

South Africa remains Canada's top trading partner in Sub-Saharan Africa. In 1999, Canadian merchandise exports to that market totalled \$235 million, 24.2 percent below the 1998 level. Canada has extended the General Preferential Tariff to South Africa since 1994. In 1999, Canada imported \$487 million from South Africa. This represents a decrease of 5.2 percent over 1998. Two-way investment remains modest, but Canadian direct investment in South Africa reached over \$400 million in 1998, increasing by a further \$520 million in the first nine months of 1999. Inward investment from South Africa has also risen in recent months to over \$350 million, directed mostly at mining operations.

The TICA concluded in September 1998 provides a framework for enhanced dialogue on bilateral and multilateral trade and investment matters. It establishes a Consultative Group, led at the level of senior officials, which will meet every 18 months. The Consultative Group will review trade and investment opportunities and address market access difficulties that may be raised by either party. The TICA also establishes a framework for further training of South African trade-policy specialists. The TICA consultations will provide a forum in which to enhance cooperation on multilateral issues and learn first-hand about developments that could affect Canadian trade and investment interests in South Africa. These consultations are even more valuable given the resumption of WTO negotiations on agriculture and services and South Africa's ongoing trade talks with the EU and neighbours in the Southern African Development Community.

Canada has also signed a FIPA with South Africa. Discussions are ongoing regarding the entry into force of this agreement.