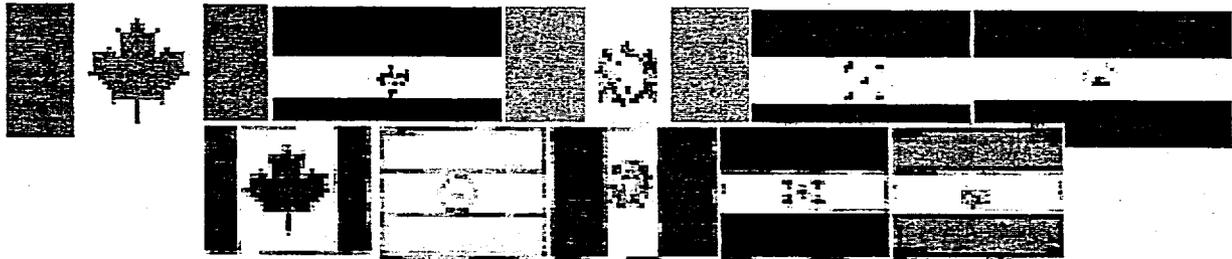


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**Responses to Public Consultations on  
Canada - Central America Four Free Trade Negotiations**



**Réponses aux consultations publiques en vue des  
négociations de libre-échange avec le groupe des quatre  
de l'Amérique centrale.**

February 20, 2001

20 février, 2001

**VOLUME II**

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Tab	Respondent/	Date	Field /	Position on pursuing FTA /	Comments (Issue areas touched on are mentioned in brackets) /
	Auteur		Champ d'activité	Position face à un ALE	Commentaires (Les sujets abordés se trouvent entre parenthèses)
1	<b>Milestone Pulses Corp.</b> Mr. Juan Carlos Rico Vancouver BC	18 Jan. 2001	Exporter/ Agricultural products	For	<i>(General, tariff reduction)</i> - Central American firms will have a better reception of Canadian goods. - Economic opening would lead to more business partnerships.
2	<b>Morstowe Sales International Ltd.</b> Mr. Jose Manuel Victoria Export Director Brossard QC	23 Jan. 2001	Exporter/ Agri-food	For	<i>(General)</i> - On a recent business trip to the region, ascertained that there is interest for Canadian products by Central American importers. - The companies and organizations in the region are very interested in concluding an FTA with Canada.
33	<b>Motor Coach Industries (MCI)</b> Mr. Douglas E. Holmes Manager - Export Sales Winnipeg MB	17 Jan. 2001	Manufacturer/ Buses and coaches	For	<i>(Market access, rules of origin, tariffs, NTBs, Investment)</i> - Many countries have local content requirements as high as 35% to 50%. Some Central American countries impose a series of import duties, taxes, special levies, consumption taxes and VAT on fully built imported coaches. - Many added costs are punitive in nature and only act as a deterrent against importers of products that are neither manufactured nor assembled in Central America. Vehicles with at least 50% Canadian content should be granted duty free access and the other costs should be eliminated or harmonized to level the playing field for all. - There are significant potential market opportunities in Central America for their products. - Letter provides a country-by-country breakdown of added costs to the C.I.F. price of MCI's product.

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4	Mr. Alberto Anaya	18 Jan. 2001		For	<i>(General)</i> - Believes there is a great potential for Canada.
5	Mr. Regis Batista-Lemaire Vancouver BC	12 Jan. 2001	Canadian citizen	For, with concerns	<i>(General, SMEs, Image branding, trade promotion)</i> - Presence of Canadian products in CentAm almost non-existent compared to other industrialized countries' products. - SMEs are vital to Canada's global economic prospects. - Success in exports rely on SMEs' perceptions about potential markets. - His study on SMEs' perspectives identified these barriers: attitudes toward/lack of knowledge of countries, negative attitude toward GoC agencies, low perception of reliability of info available. Therefore, must increase general level of awareness, provide concise/useful info considered critical by SME managers.
6	Mr. Eric Squire Teacher CEGEP Montmorency Laval QC	03 Feb. 2001	Canadian citizen	N/A	<i>(Consultations, transparency, social, human rights and environmental concerns)</i> - Does not find the consultation process in its present form to be a fair way of assessing public opinion. - Consultations tilted in favour of broad liberalisation. - An FTA must be built upon a framework of social, human rights, and environmental concerns and then fit in trade liberalisation where this contributes constructively to these concerns.
7	Mr. Michael DesRoches Montreal QC	21 Jan. 2001	Canadian citizen	N/A	<i>(Labour issues, environmental issues)</i> - Trade liberalization in Central America may contribute to the expansion of Canadian business but the effect of FTAs on small countries can be devastating. - NAFTA has contributed to near slave labour conditions in Mexico and has had negative effects on its people and the environment. - Canada should not enter into an agreement that does not protect workers rights, human rights, the environment and wages.

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8	<b>Ms. Jamie MacDonald</b> Dalhousie University Halifax NS	19 Jan. 2001	Canadian citizen	For, with concerns	<p><i>(Labour, Environment, Social Issues)</i></p> <ul style="list-style-type: none"> <li>- In addition to removing trade barriers, it is necessary, for economic growth and sustainable development, to reduce economic subsidies, incentives and taxes that promote pollution, consumption and waste and penalize employment and income, etc.</li> <li>- FTAs should not require governments to forfeit their rights to implement stronger environmental and labour standards. The Government should not compromise the public good for economic gain.</li> </ul>
9	<b>Ms. Aimee van Drimmelen</b>	18 Jan. 2001	Canadian citizen		<p><i>(Social Issues)</i></p> <ul style="list-style-type: none"> <li>- Concerned about the real effects FTAs are having on LDCs and Canada (low wages, exploitation of the environment, firing of strikers, disbanding unions, low health and education rates, etc.)</li> <li>- Wonders why FTAA docs are not public; critical of the capitalist corporate agenda.</li> </ul>
10	<b>Nawitka Renewable Resource Consultants</b> Mr. George S. Nagle Victoria BC	19 Jan. 2001	Forest Economic and Policy Consultants	For	<p><i>(Services and Investment)</i></p> <ul style="list-style-type: none"> <li>- Services should be included in an agreement especially to further develop expert and honest brokers/agents.</li> <li>- Investment should also be included; noted that Canada's tax regimes could be a problem or an incentive.</li> </ul>

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11	<p><b>Northern Alberta Institute of Technology (NAIT)</b> Mr. Jose Balcaceres International Education and Business Development Edmonton AB</p>	02 Feb. 2001	Technical/ Vocational Training	For	<p><i>(Education market, temporary entry, investment, other restrictions)</i> - An FTA will facilitate NAIT's entry in Central American technical vocational training markets. - Improvement for education is essential for achieving the goals of human development, social change, economic progress and the elimination of poverty. - Factors that emphasize the demand for improvement of education: Economic globalization; extreme wage inequality; participatory democracy; role and organization of the state; and major demographic transition. - Highlights need for agreements that include standards for professional training, licensing and accreditation. - Lists a number of restrictions to travel, commercial presence and temporary entry of persons.</p>
12	<p><b>Okanagan University</b> Mr. Wesley Johnson BC</p>	01 Feb. 2001		For, with concerns	<p><i>(Social Issues, Services)</i> - Concerned about inclusion of social services. - Medical &amp; education services should be excluded from negotiations in this FTA &amp; the FTAA.</p>

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13	<b>OMNI-CHEM</b> Mr. Sylvain Arcand Vice-président, ventes et marketing Montréal QC	07 Feb. 2001	Agro- alimentaire	Favorable	<p><i>(Accès au marché, agroalimentaire, SPS)</i></p> <ul style="list-style-type: none"> <li>- Cible le marché de l'Amérique centrale à cause de leur proximité, de l'existence d'une demande pour leurs produits et services, d'une relative marginalisation de ces marchés par leurs concurrents, du relativement faible coût des transports internationaux, de l'absence majeure de décalage horaire et d'un retour à la démocratie.</li> <li>- Ces pays sont, dans le domaine de l'agroalimentaire, hors des grands marchés visés par les concurrents qui ciblent le Brésil, le Chili, l'Argentine et le Mexique.</li> <li>- Certaines usines sont soumises à des exigences gouvernementales en terme de normes environnementales et au niveau du respect de la norme HACCP (Hazard Analysis and Critical Control Point).</li> <li>- Ces usines seront appelées bientôt à respecter ces normes internationales compte tenue de la mondialisation des marchés.</li> </ul>
14	<b>Osler, Hoskin &amp; Harcourt</b> Mr. Tim Kennish Co-Chairman Toronto ON	15 Feb. 2001	Barristers and Solicitors	For	<p><i>(Market access, regional strategy, tariffs, rules of origin)</i></p> <ul style="list-style-type: none"> <li>- Supports efforts for better access for Canadian goods and services to other markets, particularly those with potential for greater export and investment opportunities.</li> <li>- CDA-CA4 FTA is an important step forward in the evolution of Canada's trade relations with the region.</li> <li>- An FTA anticipates and advances the way for the broader FTAA.</li> <li>- Proposes that NAFTA be the model used for this FTA: a) proven template; b) conserve negotiating resources; c) enhance opportunities for additional negotiations or accessions; d) facilitate a transition to a similarly effective form in an eventual FTA.</li> <li>- Endorse NAFTA approach to tariff reductions to permit Canadian structural adjustment.</li> <li>- Application of NAFTA-type rules of origin should enable concessions to enure to the benefit of production in the region.</li> </ul>

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15	<b>Pacifica Papers Sales Ltd</b> Mr. Jim Bayles Director, International & Canadian Sales Vancouver BC	23 Jan. 2001	Newsprint and paper products	For	<i>(General)</i> - Sales focused on Guatemala (main client is La Prensa Libre) - Welcome any initiative which would make trade with the region easier, as we have infrastructure in place to deal with the markets and a cost effective distribution system.
16	<b>Parent Seed Farms Ltd.</b> Mr. Clement Hacault International Representative St. Joseph MB	22 Jan. 2001	Seed exporter	For	<i>(Trade promotion, export financing)</i> - Is to increase sales to the CA4. - Would need Canadian Government assistance in promoting our products in these small markets. - These export markets are smaller and require a lot of attention. A joint effort by Canadians is needed to make best use of time and resources.
17	<b>Plasti-Teck</b> Mr. Allan Lopez ON	02 Feb. 2001	Produce	For	<i>(General)</i> - Plasti-Teck is interested in importing fruits & vegetable from CentAm. - CentAm has good, competitive, quality products at cheaper price than South America & Mexico. - Minimum requirements should be established for free trade to improve Canada's economy.
18	<b>Pollutech International Limited</b> Mr. Richard V. Laughton President Oakville ON	09 Jan. 2001	Environmental SME		<i>(General, environment)</i> - Pollutech has a decade of experience in Nicaragua, recently teamed with SCI initiative in Costa Rica. - Working with DFAIT, EDC, CCC on an "All Canadian" environmental project.
19	<b>Poly-Énergie Inc.</b> M. Claude Routhier Vice-président opérations Beauport QC	15 Jan. 2001	Énergie	Favorable	<i>(Promotion, financement, concurrence)</i> - Histoire de succès au Costa Rica. - Invite à inclure dans les négociations un volet qui permettrait aux firmes canadiennes représentées par la CCC d'offrir des services aux organismes d'État ou municipaux de la région. - Avec l'aide de la SEE en plus, les firmes canadiennes pourraient concurrencer avec plus de succès contre les gros joueurs européens.

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20	<b>Power Measurement Ltd.</b> Mr. Sussex Davis Latin American Sales Manager Victoria, BC	02 Feb. 2001	Manufacturer/ Digital power metering systems	For	(Competitiveness) - Currently doing \$2 million worth of business in Central America and an FTA would add to the competitiveness of their products.
21	<b>Presbyterian World Service &amp; Development</b> Mr. Guy Smagghe Program Coordinator - Central America North York ON	02 Feb. 2001	Development and Relief Agency	N/A	( <i>Human rights, social and development issues</i> ) - A recent statement by the Minister of Finance clearly demonstrates that social interests are secondary to trade agreements and that there is always hope for a 'trickle down' effect to the poorest of the population. - FTAs with Central American countries usually exploit cheap labour at the expense of jobs in Canada and at the expense of quality of life for Central Americans. We should ensure that FTAs include provisions to protect the workers in those countries just as we do in Canada. - Put social and human development of the most vulnerable sections of our societies as the first priority. We can not afford to separate trade from human development.

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22	<b>Province of Manitoba</b> Ms. MaryAnn Mihychuk Minister of Industry, Trade and Mines	29 Jan. 2001	Province		<p><i>(Provincial jurisdiction, regional strategy, market access, services and investment, textiles, social issues)</i></p> <ul style="list-style-type: none"> <li>- While FTAs provide export opportunities to exporters, they may also divert trade and investment and scarce political and negotiating resources.</li> <li>- Why are we negotiating with individual countries when we are already negotiating plurilaterally (FTAA)? Duplicate and overlapping agreements can lead to confusion and business uncertainty.</li> <li>- Do not see a compelling business case for this initiative. That said, we should only negotiate an FTA covering trade in goods. It would allow for the continuation of supply management systems and provide an opportunity for business facilitation measures. Services and investment should be left to the FTAA.</li> <li>- Must ensure that trading partners will maintain and enforce high labour and environmental standards.</li> <li>- GoC should adopt policies that complement trade liberalisation (ensure that displaced resources are re-employed through training, mobility and other social protection programs).</li> <li>- Consider the impact on import-sensitive sectors such as textiles and apparel.</li> </ul>
23	<b>Province of Ontario</b> Mr. Al Palladini Minister of Economic Development and Trade	07 Feb. 2001	Province	For	<p><i>(Regional strategy, services and investment)</i></p> <ul style="list-style-type: none"> <li>- Supports trade and investment initiatives that benefit exporters.</li> <li>- Establishing the FTAA is of greater importance.</li> <li>- Prepared to review any proposals regarding services and investment that go beyond the 1998 MOUTI.</li> </ul>

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24	Province of Saskatchewan Mr. Clay Serby Minister of Agriculture and Food	30 Jan. 2001	Province	For	<i>(Market access, agriculture, SPS, state trading enterprises)</i> - Saskatchewan agricultural producers have identified several key objectives: a) FTAs must result in greater market access for our agricultural exports; b) lead to reductions in trade distorting export and subsidies; c) ensure SPS restrictions are science-based; and d) rules regarding state trading enterprises must allow the Canadian Wheat Board to continue operating as an effective marketer of prairie grains.
25	Province of Alberta Ms. Shirley McClellan Minister of International and Intergovernmental Relations	30 Jan. 2001	Province	For	<i>(Consultations, agriculture, SPS, services and investment, provincial jurisdiction)</i> - Though Alberta exports to the region are small, there will still be benefits to further trade liberalisation as well as additional benefits for the broader FTAA process in seeking high level commitments from the CA4. - Supports investment and services provisions and enumerates priority sectors for increased market access. - Approach to agricultural negotiations includes: a) elimination of agricultural export subsidies; b) reduction of trade and production-distorting domestic supports; c) elimination of all market access restrictions for agricultural goods. State trading enterprises (i.e. CWB) should be on the table. SPS rules must be science-based. - Highlights issues of provincial jurisdiction (labour and environment) and subnational coverage.
26	Province of Saskatchewan Mr. Jack Hillson Minister of Intergovernmental and Aboriginal Affairs	01 Feb. 2001	Province	For	<i>(Agriculture, investment, regional strategy)</i> - Apparent lack of policy rationale within the federal government for pursuing these relatively minor bilateral and regional FTAs. - Would not support NAFTA-like investment provisions and public health, education, and social services should be excluded from FTAs. - Potential for exports of grain, potash, specialty crops and malt to the CA4.

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27	<b>Pulp &amp; Containerboard Marketing</b> Mr. Jim Miller Vice President Vancouver BC	19 Jan. 2001	Forestry products	For	<i>(General)</i> - Level of trade between Canada and the region should be much higher. - Containerboard products would benefit from stronger economies in the region; an FTA would be mutually beneficial.
28	<b>R.E.V. Enterprises</b> Mr. Ruben Vaz Alberta	19 Jan. 2001		For (FTA with Panama)	<i>(General)</i> - Seeks free trade agreement with Panama and notes that Panama has no barriers to investment.
29	<b>Raffineurs D'eau Joliette Ltée</b> M. Pierre F. Brisson Président Joliette QC	17 jan. 2001	Manufacturier - Systèmes de traitement de l'eau potable	Favorable	<i>(Réduction de tarifs, stratégie régionale)</i> - L'abolition de tarifs douaniers serait favorable - Une meilleure circulation des biens augmente la possibilité de partenariat. - Compétiteurs principaux sont les É.-U. avec un volume de vente supérieur et une proximité aux marchés, malgré un produit inférieur. - Ces pays peuplés offrent des possibilités importantes aux PME
30	<b>Regor Inc.</b> M. Yves Cabana Contrôleur Montréal QC	26 jan. 2001		S/O	- Pas de commentaires, ses activités se concentrent dans les Caraïbes.
31	<b>RESDEV (Resources &amp; Development) Ltée</b> P.A. Ferron President St.-Bruno QC	15 Jan. 2001		For	<i>(Tariffs, investment, regional strategy)</i> - Central America has an opportunity to organise areas of their economy that they need to consolidate and prioritize, if it can maintain political stability long enough to foster economic growth. - Countries should not use abusive imports tariffs to subsidise their infrastructure and social programs. - Investments should have capital flow guarantees and taxes, duties and levees should be transparent without cost or penalty to the investor. - Canada's strategy should be positive and promote regional integration.

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32	<b>Ronald A. Chisholm Ltd.</b> Mr. Nicholas M. Walker Director Toronto ON	29 Jan. 2001	Exporter/ Meat and dairy products	For	<p><i>(Tariff reduction, trade facilitation, customs procedures)</i></p> <ul style="list-style-type: none"> <li>- Have been exporting to these countries for a number of years and has strong long term relations with these markets. Concluding an FTA before the Americans would guarantee Canadian producers a better market share.</li> <li>- Current import duty rates for meat and dairy are b/w 15% and 50% for Costa Rica; in addition, import permits are required. An FTA should accelerate tariff elimination and eliminate import permits.</li> <li>- Due to various economic/climate conditions, Central American markets are not self-sufficient in animal protein.</li> </ul>
33	<b>SaskEnergy International</b> Mr. David Easton Vice-President Saskatchewan	02 Feb. 2001	Energy/ Natural Gas	For	<p><i>(Investment)</i></p> <ul style="list-style-type: none"> <li>- Are not currently looking to invest in Central America but are exploring opportunities in the Caribbean. Any FTA should contain the following provisions/elements: 1) No exchange controls or restrictions on the repatriation of capital; 2) Freedom to remit profits or royalties; 3) Guaranteeing non-discriminatory treatment; 4) Mature and predictable legal system; 5) A clear and transparent regulatory regime.</li> </ul>
34	<b>Scotiabank</b> Mr. Richard E. Waugh Vice-Chairman Toronto ON	12 Feb. 2001	Financial Services	For	<ul style="list-style-type: none"> <li>- El Salvador offers an open investment regime and its new Banking Law affords national treatment to foreign banks. Restrictions on foreign investment in local banks have been lifted and the new Investment Law permits unrestricted repatriation of net profits. The country has also strengthened its financial supervisory authorities and established an autonomous deposit insurance institution. It has also shown a strong commitment to markets, financial modernization and openness to foreign investment.</li> <li>- Other partners of the CA4 vary widely in their state of economic and political development (examples given).</li> <li>- Not immediately clear if a CDA-CA4 FTA will accelerate desired convergence of foreign investment and financial sector regulatory standards or if it will lead to more rapid progress in current GATS negotiations. Scope of their commitments under GATS varies widely.</li> </ul>

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35	<b>Telus</b> Mr. Willie Grieve Vice-President Government and Regulatory Affairs Edmonton AB	05 Feb. 2001	Telecoms	For	<p><i>(Market access, investment and trade in services)</i></p> <ul style="list-style-type: none"> <li>- Recognizes significant potential for exports to CentAm but finds it is important to deploy Canada's limited trade negotiating resources to focus on the WTO, NAFTA, the FTAA and APEC.</li> <li>- From a telecoms perspective, has not encountered directly or indirectly any market access barriers or regulatory impediments in CentAm.</li> <li>- Two issues to raise: 1) Foreign Ownership Restrictions: Two of the CA4 have no FOR limits. The Government of Canada should remove all Canadian FORs even in the absence of concessions in a trade negotiation. This would enhance competition and investment in Canada's communication industries and help position Canada as a hub throughout the Americas and in Asia and Europe</li> <li>2) Scope liberalization in Communications: Canada should liberalize the terms of access in the communications industry in CentAm as broadly as possible. Reduce the uncertainty present in the NAFTA and the GATS created by a general exemption. The Government should use trade negotiations to clarify this point and ensure that all FTAs explicitly cover telecoms facilities.</li> </ul>
36	<b>Mr. Del Blackstock</b> BC	01 Feb. 2001	Prebuilt Homes	Concerned	<p><i>(Market access, transfer of funds, services)</i></p> <ul style="list-style-type: none"> <li>- Export interest in prebuilt manufactured homes.</li> <li>- If access to Canadian market improved for products from CentAm, could affect BC/Canada pulp &amp; paper industry due to rapid crop replacement &amp; low labour rates; and could hurt Western agri-crops</li> <li>- Should ensure real "free trade" in possible services negotiations.</li> <li>- Should be cautious in ease of transfer of funds to CentAm in industries which would be in competition with same Canadian industries.</li> </ul>
37	<b>Textile Rubber &amp; Chemical Co. Ltd.</b> Mr. Sam Elaraby VP & General Manager St-Jean-sur-Richelieu QC	18 Jan. 2001	Manufacturer - Industrial Coatings	For	<p><i>(General, market access)</i></p> <ul style="list-style-type: none"> <li>- Concerned about the impact of imports of electronic components on Canadian businesses.</li> <li>- Net trade imbalance in 1999; expects situation to swing more favourably toward Canadian interests in the future.</li> </ul>

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38	<b>The S/M/A Design Group International Inc.</b> Mr. Samuel Marouhos ON	19 Jan. 2001	Hospitality & Retail	For	<p><i>(General, trade facilitation)</i></p> <ul style="list-style-type: none"> <li>- All goods shipped to Central America should clear customs in Canada prior to shipment to avoid "international delays".</li> <li>- Would like more feedback, assistance, constructive contacts with GoC agencies &amp; private sector related to development of resort hotels &amp; entertainment centres.</li> <li>- S/M/A Design are architects, interior designers, &amp; planners in hospitality &amp; retail sectors.</li> </ul>
39	<b>The Software Group Limited</b> Mr. Derek Vair ON	19 Jan. 2001	Computer software	For	<p><i>(General)</i></p> <ul style="list-style-type: none"> <li>- Export interest in internet servers &amp; associated software, data communications subsystems for servers.</li> </ul>
40	<b>Canadian Wheat Board</b> Greg S. Arason President and Chief Executive Officer Winnipeg MB	07 Feb. 2001	Agriculture/ Exporter	For	<p><i>(Market access, tariffs)</i></p> <ul style="list-style-type: none"> <li>- Improved market access through FTAs helps western Canadian wheat farmers stay competitive.</li> <li>- CWB sales to this area are important and expected to increase as a result of growing populations, economic stability and increased consumption.</li> <li>- Applicable tariffs in the region are small.</li> <li>- US proximity to the region puts them at an advantage.</li> </ul>

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41	<b>Canadian Council for the Americas</b> Mr. David S. Winfield Chairman of the Board Toronto ON	12 Feb. 2001	Business organization	For	<p><i>(Regional strategy, labour and environment, Brazil)</i></p> <ul style="list-style-type: none"> <li>- FTA would serve to buttress Canadian economic relations with a region that has not attracted a great deal of attention.</li> <li>- Potential for increased bilateral trade and investment is modest though strategic advantages could be achieved by an FTA in advancing the FTAA.</li> <li>- Deep reservations with FTAs that include labour and environment chapters; these should be addressed in appropriate international fora.</li> <li>- Mindful of limited trade policy resources available to the Government.</li> <li>- Priority is the FTAA, WTO agenda and resolution to the dispute with Brazil.</li> </ul>
42	<b>Transcontinental Gourmet Foods Inc.</b> Mr. Robert G. Duncan Vice President Concord ON	15 Jan. 2001	Agri-food	For	<p><i>(Transparency, trade facilitation)</i></p> <ul style="list-style-type: none"> <li>- Transparency: countries should identify correct export documentation and forms.</li> </ul>
43	<b>TransFair Canada</b> Ms. Caroline Whitby Managing Director Ottawa ON	01 Feb. 2001	Not-for-profit organization/ Fair Trade Certifiers	For, with concerns	<p><i>(Market access, sustainable development, fair trading measures)</i></p> <ul style="list-style-type: none"> <li>- TransFair seeks to redress some of the negative impacts of FTAs suffered by small producers by ensuring that these receive fair price for crops and by promoting their direct access to international markets and improving their access to pre-financing.</li> <li>- FTA is an opportunity for the Government to manifest its concern for the plight of small agricultural producers and workers in CentAm.</li> <li>- The Government of Canada should develop programmes to support the development and growth of co-ops in CentAm and other regions; provide funding to alternatives such as Fair Trade to expand markets for fairly traded goods; and develop procurement policies for Fair Trade goods.</li> </ul>

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44	<b>Vibac Canada Inc.</b> Mr. Edmundo diaz Director of Sales & Marketing Montreal QC	22 Jan. 2001	Packing Tape Industry	For	<i>(Regional strategy)</i> - Encourage the government to pursue this initiative. - Is very active in the region where various FTAs are being negotiated with Europe and amongst themselves. - Imperative that we proact in this regard and consolidate our future commercial development throughout the Americas.
45	<b>WESA Ltd.</b> Mr. Derek P. Smith President Carp (Ottawa) ON	19 Jan. 2001	Exporter/ Environmental products and services	For	<i>(General, Environment)</i> - Active in El Salvador, Guatemala and Honduras. - Would be pleased to provide direction to environmental aspects of the FTA with CA4.
46	<b>West Coast Engineering</b> Mr. Robert Arciaga Export Sales Delta BC	Jan. 19 2001	Manufacturer/ Aluminum and steel poles	For	<i>(Market access)</i> - No market access concerns in terms of CA4 exports; does not believe CA4 manufacture a product of equivalent quality. - Shipping or cost of freight is a problem that could be overcome by a no-duty privilege resulting from an FTA.
47	<b>Western Canadian Wheat Growers Association</b> Mr. Ted Menzies President Regina SK	08 Feb. 2001	Association/ Wheat growers	For	<i>(Agriculture, multilateral and bilateral strategies)</i> - Significant potential to expand two-way trade to the benefit of all parties and have no specific concerns for the industry. - Apprehension that bilateral trade agreement potentially undermine and interfere with multilateral negotiations. - Progress in the WTO agriculture negotiations is a priority.

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Volume II**

**Réponses aux consultations publiques en vue des négociations de libre-échange Canada - Amérique centrale  
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48	<b>Wheaton River Minerals Ltd.</b> Mr. Ian J. McDonald Chairman and CEO Toronto ON	01 Feb. 2001	Mining	For	<p><i>(Trade facilitation, investment, dispute settlement, professional services)</i></p> <ul style="list-style-type: none"> <li>- Based on experience in Costa Rica, it is imperative that clear guidelines and predetermined time frames exist for obtaining official government approvals in the interest of fair treatment and transparency.</li> <li>- There must be a strong dispute settlement procedure at as high a level as possible and be able to award compensation.</li> <li>- Internationally recognized professionals (consultants, engineers, etc.) should be designated and approved for in-country construction.</li> <li>- Large impediment to investment resides in the fact that (in Costa Rica) the law allows any government official who signs permits, resolutions, etc. to be personally liable for his actions. This means an administrator's capacity is biased in favour of doing nothing.</li> </ul>
49	<b>Wulftec International</b> Mr. Stéphane Côté Sales Manager Ayer's Cliff QC	15 Jan. 2001	Wrapping equipment	For	<p><i>(General)</i></p> <ul style="list-style-type: none"> <li>- Free trade would be beneficial for his company, even more so if it was with Brazil. Brazil is currently their largest export market.</li> </ul>
50	<b>XCAN GRAIN</b> K.L. Matchett Chief Executive Officer Winnipeg MB	06 Feb. 2001	Exporter/ Agri-food	For	<p><i>(Agriculture, multilateral and bilateral strategies, SPS)</i></p> <ul style="list-style-type: none"> <li>- Canadian agriculture has been burdened with a number of trade obstacles including export and domestic subsidies, tariff and non-tariff barriers and restricted access to many markets.</li> <li>- Would not support an FTA with an agricultural carve-out.</li> <li>- Potential for expanded exports of beans, peas, lentils and canola oil and meal. Primary objective: parity treatment on any tariffs on the import of food into the CA4.</li> <li>- CA4 must agree to adhere to internationally recognized SPS protocols.</li> <li>- Support FTAs if they reinforce and complement multilateral trade initiatives.</li> </ul>

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51	<b>Mr. Wolfgang Schmitz</b> General Manager Greer Shipping Vancouver BC	12 Feb. 2001	Shipping	For	<p><i>(Trade facilitation, pricing, market access)</i></p> <ul style="list-style-type: none"> <li>- When dealing with the South, Canadians prefer to sell merchandise to US companies who in turn combine CDN products with theirs for sales to the region or simply pass along the products with a markup.</li> <li>- By dealing with US companies, Canadian exporters can conduct business in English, better control financial aspects, deal with simple transport matters, etc.</li> <li>- The result is that Canadian exports show up as exports to the US and reduce the actual volume/value of exports to the region.</li> <li>- Personal study has shown that Central American companies who export directly to Canada rather than through the US (bypassing US regulations and standards) gain substantial savings.</li> <li>- An FTA would increase Canada's exports and provide Central Americans with better quality and lower priced goods.</li> </ul>
52	<b>CINTEC Environnement Inc.</b> M. Pierre S. Turcotte LaSalle QC	09 fév. 2001	Services environnement -aux	Favorable	<p><i>(Difficultés dans l'exploitation d'affaires)</i></p> <ul style="list-style-type: none"> <li>- Exploite présentement un investissement de plus de 61 million\$US (sur 20 ans) au Salvador.</li> <li>- Vive un climat d'affaires difficile et contraignant où on ne respecte pas l'accessibilité aux droits et privilèges des entreprises, les possibilités de croissance et de développement sans entraves ni la reconnaissance et la valorisation de ses activités.</li> </ul>



# Milestone Pulses Corporation

## FAX MESSAGE

TO: TRADE POLICY PLANNING DIVISION (EAI) / CENTRAL  
AMERICA DEPARTMENT of FOREIGN AFFAIRS and  
INTERNATIONAL TRADE

ATTN.: PIERRE S. PETTIGREW

FROM: Juan Carlos Rico

DATE: January 18, 2001

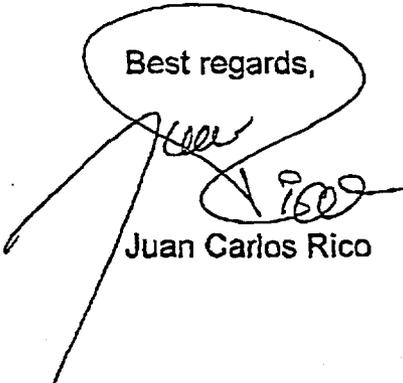
Number of pages including this cover (01)

RE: CANADIAN-CENTRAL AMERICAN FREE TRADE AGREEMENT

Thank you very much for your letter. My comments are:

It is my personal belief that free trade agreements are in benefit for all parties no matter where you make them. Even though it is a small market, even also in my sector (export of agriculture products) I applaud and welcome these kind of agreements, specially because many Central American entrepreneurs will have a better reception to Canadian products, not only due to decrement of duties, but also because the psychological effect of an economy opening for both sides that will make them more comfortable to make new businesses with.

Best regards,

  
Juan Carlos Rico



## Dubien, Deric -EAI

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**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** January 24, 2001 10:11 AM  
**To:** Hey, Sabine -EBC; Dubien, Deric -EAI  
**Subject:** TR: America Central Free Trade (IMPORTANT)

—Message d'origine—

**De:** Manuel Victoria [mailto:morstowe@videotron.ca]  
**Date:** 23 janvier, 2001 10:42  
**À:** consultations@dfait-maeci.gc.ca  
**Objet:** America Central Free Trade (IMPORTANT)

**ATTN:** Pierre S. Pettigrew  
**Rerf:** Libre-échange entre le Canada et l'amerique centrale.  
**From:** Jose Manuel Victoria

Spanish Letter..please let me know if you need translation.

Estimado Sr. Pettigrew

Por este medio permitame presentarme. Mexicano-Canadiense viviendo en Montreal, Canada desde ya mas de 10 años. Trabajo para la empresa Morstowe Sales como director para la exportacion para el Caribe, Mexico, Central y Sur America. Exporto todo lo que es productos carnicos y verduras congeladas. Estas ultimas dos semanas estuve en un viaje de negocios en Centro America (Guatemala, Honduras, Salvador, Panama). Estuve representado y promoviendo las exportaciones de mis productos y en resrepresentacion del organizmo canadiense "Canada Pork International".

El recibimiento por mis compatriotas Latinos y por su interes en productos canadienses fue muy prometedor. He llegado este Sabado 20 de enero del presente por lo que le puedo decir que los empresarios y organizmos de esta region estan muy interesados en concluir este acuerdo.

Me he encontrado con personalidades en todas las escalas tanto empresariales como gubernamentales.

Solo entre parentisis donde se debe de poner presion es en Panama debido a que quieren aprovar la ley 95 en la que pondrian travas y restringirian las importaciones en Panama y sobre todo de mis productos que manejo (cerdo "pork"). Es fundamental mandar una carta al MIDA lo antes posible ya que la ley pasara al poder legislativo para fines de este mes.

Si requiere informacion con respecto a mi Visita en Centro America no dude en contactarse con migo.

Sin otro en particular **Y SI REQUIERE QUE LE TRADUZCA SE LO HARE INMEDIATAMENTE.**

Regards,

Jose Manuel Victoria

PS. Sorry to write it in Spanish but I just want it to express my comments a.s.a.p.



## MOTOR COACH INDUSTRIES

Mr. Pierre S. Pettigrew  
Minister for International Trade  
Government of Canada  
Ottawa, Canada K1A 0G2

January 17, 2001

Re: Trade and Investment initiatives for Central America



Dear Mr. Pettigrew:

Thank you for your letter of January 5, 2001 and your invitation to express our views, on priorities, objectives and concerns about a free trade agreement with Central America.

Over the years MCI has expended considerable effort trying to develop sustainable off shore market opportunities for our products. We have had success in countries such as Australia, Saudi Arabia, South Africa, Taiwan and Saipan.

In our business, we are confronted all over the world with a myriad of regulatory obstacles and technical differences. Without major modifications to our designs and manufacturing processes, these obstacles and differences prevent us from selling our products in many countries around the world. North American customer requirements, regulatory requirements and dimensions are quite unique compared to the rest of the world.

Although there are over 270 body on chassis and integral bus and coach manufactures in the world only a few manufacture their own chassis. Because the majority of the body on chassis builders do not manufacture their own chassis they must rely on mostly European or Japanese chassis suppliers for chassis on which to mount their bus and coach bodies to complete their vehicles. The major markets for these chassis manufactures are the EU countries and the body builders in other countries are forced to follow the dictates of the EU market if they expect to receive chassis for their production.

Most of the buses and coaches sold into the Central American countries are manufactured in Mexico, Brazil or Argentina. Here again the majority of chassis used is of European design and are either imported from Europe or manufactured under license in one of these three countries.

MCI and our chief North American competitors build integral type coaches that do not use a separate chassis. Although integral designs are much stronger and robust they require considerably more engineering effort to change our designs to meet regulatory and design differences. In plant tooling, jigs and fixtures and process are much more complex and involved. As a result most small orders are not economically viable when major design changes are required.

Many countries have local content requirements that are as high as 35 to 50%. It is much easier and cheaper to assemble a locally made body on an imported chassis than it is to set a plant to manufacture an integral design.

In addition to the above factors, many countries including those in Central America impose a whole series of import duties, taxes, special levies, consumption taxes and VAT on fully built imported coaches. These additional charges are typically added to the C.I.F value, which results in added costs of up to 95 % or more over the ex works price of a coach.

## MOTOR COACH INDUSTRIES

(2)

Based on the latest information that we have available, the countries of Central America impose a variety of added costs to the C.I.F. price of our coaches:

### Costa Rica

- Local content requirements - none
- Import restrictions - see below
- Import license - not required
- Import Tariffs - 20% on buses that carry 26 to 44 passenger's w/GVW of 4000 kg or over. 5% on buses that carry 45 or more passengers
- Consumption tax - not applicable to buses
- Customs surcharge - 1% based on the C.I.F value
- Sales tax - 10% based on the sum of the C.I.F value, tariff and Customs surcharge
- Preferential treatment on motor vehicle imports from other countries - none except Mexico which allows vehicles to enter duty free as of January 1, 2000 as stipulated in the Mexico - Costa Rica free trade agreement.



### USED VEHICLES

- Tariffs and taxes based on the U.S. N.A.D.A Official Used Car Guide. Discounts are granted based on vehicle age and range from 20 % on vehicles one year older than current model year up to 70% for vehicles 5 years or older.

### El Salvador

- Local content requirements - none
- Import restrictions - not applicable to new or used vehicles
- Import licenses - not required
- Import Tariffs - 1 to 5% for buses
- VAT - 13%
- Preferential treatment on motor vehicle imports from other countries - none

### Guatemala

- Local content requirements - none
- Import restrictions - no restrictions on new or used vehicles
- Import Tariffs - 5% on buses and 10% on chassis with engines
- VAT - 7%
- Legalization of commercial invoices and bills of lading required before products enter country.
- Preferential treatment on motor vehicle imports from other countries - none

## MOTOR COACH INDUSTRIES

(3)

Honduras

- Local content requirements – none - also no local production or assembly of cars or trucks in country
- Import restrictions – no import licenses or quotas
- Import duty – 10%
- Taxes – applicable on all imported goods (amount not known)
- VAT – 8%
- Surcharge on Duty – 15%
- Foreign exchange availability - limited

Nicaragua

- Local content requirements - none
- Import restrictions - none
- Selective Consumption tax – not applicable
- Import Tariff on buses – 22%
- VAT – 15%
- Stamp tax – 3%

Panama

- Local content requirements – not known at this time
- Import restrictions – not known at this time
- Import Tariff on buses – 10%
- VAT – 5%
- Cabinet Council Decree 56 – allows partial duty exemptions on buses and repair parts. On buses these can range from 80% on 6 to 10 year old buses to 95 % on new buses
- Legalization of commercial invoices and bills of lading required before products enter country.
- Customs Administration fee - \$70 for shipments over \$2000 in value
- Preferential treatment on motor vehicle imports from other countries - none

Summary

As demonstrated above the playing field is not level when it comes to selling our products to Central American countries. Many of the added costs noted are punitive in nature and only act as deterrents against importers of products that are neither manufactured nor assembled in the countries in question.

Using the free trade agreement between Mexico and Costa Rica as an example, all vehicles from Canada with at least 50% Canadian content should be granted duty free access under any future free trade agreement with the regions countries. The other taxes, special charges and VAT's should be eliminated or harmonized so the playing field is level for all potential members of the future trade pact.

## MOTOR COACH INDUSTRIES

(4)

Given the number of customer inquiries we have received from the region over the past two years we feel Central America could afford us many potential market opportunities for our products. A Free trade agreement with the region would certainly help to turn these potential opportunities into reality.

Modern buses and coaches are much safer, cost efficient and far more environmentally friendly and should be encouraged in regions where population densities are above average.

We trust you will find the above information useful during your upcoming talks. If we can provide any additional information or assistance please do not hesitate to contact the writer. We appreciate the opportunity of providing our views.

Yours truly,



Douglas E. Holmes  
Manager - Export Sales  
Motor Coach Industries  
Winnipeg, Manitoba Canada

Phone: (204) 287-4950  
Fax: (204) 284-8642  
E-mail: DOUG.HOLMES@MCICOACH.COM

DH/  
File: pettigrew011721.doc

Last name: Holmes  
First name: Douglas E.  
e-mail address: Doug.Holmes@MCICOACH.COM  
Company Name:  
Province:Manitoba

#### Questions

Please comment on:

**1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.**

Intercity, charter/tour and commuter coaches. Need regulatory approval from each of the CA-4 countries to import fully built coaches based on current North American Motor Vehicle Safety Standards including wide, length and Gross Vehicle Weight ratings.

Intercity, charter/tour and commuter coaches. Need regulatory approval from each of the CA-4 countries to import fully built coaches based on current North American Motor Vehicle Safety Standards including wide, length and Gross Vehicle Weight ratings.

**2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.**

Should not be a concern in our industry.

Should not be a concern in our industry.

**3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.**

Need clear, concise and accurate information on what duties, taxes, special levies and VAT apply to fully built imported coaches. This is a very difficult area to get clear and correct information on. The cumulative add-on of all of these special fees on the CIF value creates a competitive disadvantage to Canadian companies.

Need clear, concise and accurate information on what duties, taxes, special levies and VAT apply to fully built imported coaches. This is a very difficult area to get clear and correct information on. The cumulative add-on of all of these special fees on the CIF value creates a competitive disadvantage to Canadian companies.

**4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).**

Need to know whether there are any specific requirements or limitations on making direct sales to end customers in each country or whether our company must use local agents or distributors to make sales to end customers in each of the four countries.

Need to know whether there are any specific requirements or limitations on making direct sales to end customers in each country or whether our company must use local agents or distributors to make sales to end customers in each of the four countries.

**5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).**

Local content requirements are a serious problem in that we only manufacture fully built engineered to order coaches. The other areas regarding investment are not of primary concern at this time.

Local content requirements are a serious problem in that we only manufacture fully built engineered to order coaches. The other areas regarding investment are not of primary concern at this time.

**6) Any other issue of interest to your firm.**

Will countries covered by the Andean or Mercosur treaties be afforded the same treatment as Canada or will they be subject to current import duties, taxes, local content etc.?

Pre-shipment inspection if currently required is both punitive and an unnecessary added expense and must be eliminated. Special labeling is also an area of special concern due to the high cost of providing for the anticipated small number of potential sales.

Will countries covered by the Andean or Mercosur treaties be afforded the same treatment as Canada or will they be subject to current import duties, taxes, local content etc.? Pre-shipment inspection if currently required is both punitive and an unnecessary added expense and must be eliminated. Special labeling is also an area of special concern due to the



**Dubien, Deric -EAI**

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**From:** alberto anaya [torbela@oanet.com]  
**Sent:** January 18, 2001 11:25 PM  
**To:** deric.dubien@dfait-maeci.gc.ca  
**Subject:** Re : free trade with CA-4

Deric Dubien  
Trade Policy Officer  
Trade Policy Planning Division (EAI)  
Department of Foreign Affairs and International Trade  
Lester B. Pearson Building  
125 promenade Sussex Drive  
Ottawa, Ontario, K1A 0G2  
Tel. : 613-996-4319  
Fax: 613-944-0757  
E-mail : [deric.dubien@dfait-maeci.gc.ca](mailto:deric.dubien@dfait-maeci.gc.ca)

Dear Deric,

I am very interested in the process of the negotiation of free trade with Central America.  
I do believe that there is a great potential for Canada.  
Could please keep me up dated of those negotiations and if it possible how can I be involved on it.

Sincerely,

Alberto Anaya.

05/02/01



*Consultations on Trade Negotiations with El Salvador, Guatemala, Honduras  
and Nicaragua.*

**Contribution by:**  
**Regis Batista-Lemaire, MBA**  
**#101-2232 W 5th Ave**  
**Vancouver, BC V6K 1S3**  
**Email: regis\_batista@hotmail.com**

Having lived most of my life in the Dominican Republic (a Caribbean nation which relies heavily on imports), and having traveled across other Latin American countries, I had noticed that the presence of Canadian products in those countries is almost non-existent compared to other industrialized countries' imports there. That is why I decided to conduct a research, as a requirement for my MBA, which I completed recently: "*Perceptual Barriers to Doing Business with Latin America: The Small Canadian Business' Perspective*". This study consisted of a primary research including small and medium-sized companies throughout Canada, as well as secondary research on trade between Canada and some Latin countries. I looked specifically at managers' perceptions about business opportunities in Argentina, Brazil, Chile, and Mexico, and how these perceptions could hinder trade with those countries.

Not surprisingly, the results of the study revealed that the main barriers to do business with Latin countries faced by these companies are the lack of knowledge about, and the attitude towards those countries by its managers (these are the four major economies in Latin America, yet Canadian products' presence in them is very limited). Also, managers' attitude towards the Canadian Government agencies was found to be quite negative, and their perception about the reliability of the information available was low as well. I think that, for the opportunities and benefits of trade agreement to be fully reaped by Canadian companies, it is necessary to first work internally increasing awareness at a general level, and providing concise but useful

information about the topics considered critical by managers about the countries of interest. I consider that small businesses are vital to Canada's global economic prospects, and that there is immense potential for small businesses in international niche markets. However, success in exports will largely depend upon small businessperson's perceptions about these potential markets. I hope that this input will be useful to you and the Government of Canada. If you would like more detailed information about the results of my research study, please feel free to contact me at the address above.



**Eric Squire  
217 6th Avenue  
Boisbriand, QC  
J7G 1Y5**

February 3, 2001

To: Deric Dubien  
Trade Policy Officer  
Trade Policy Planning Division (EAI)  
Department of Foreign Affairs and International Trade  
Lester B. Pearson Building  
125 promenade Sussex Drive  
Ottawa, Ontario, K1A 0G2  
Tel. : 613-996-4319  
Fax: 613-944-0757  
E-mail : [deric.dubien@dfait-maeci.gc.ca](mailto:deric.dubien@dfait-maeci.gc.ca)

Subject: Canada-Central America Four - Public Consultation

Dear Sir:

The Government of Canada has invited citizens, NGOs, and business representatives to submit their opinions on the recently initiated free trade negotiations between Canada, Honduras, Guatemala, Nicaragua, and El Salvador. I am therefore offering my views.

Before stating my specific concerns about this trade deal, I would like to say up front that I don't find this "broad and comprehensive" consultation process to be at all a fair way of assessing public opinions.

To begin with, announcements of the planned CA4 trade deal and the 'public' consultation associated with it were sparse, and furthermore they contained only a few crumbs of information concerning the present state of trade between Canada and these countries. The information only consisted of broad generalities (total value of goods exported, total value imported, total FDI, etc.) which do nothing to illustrate the actual effects on people's lives. For a real understanding of the effects of trade, it is necessary to look at details of how many and (more pertinently) what kind of jobs have been created and how many jobs have been lost; it is necessary to look at human rights and whether they have been respected or violated; and perhaps most important, it is necessary to examine health and environmental impacts, and how they might be affected by further liberalization. Clearly this information requires considerable research which should properly be followed by a period of public debate. As it stands, however, the public at large not only remains in the dark about these issues; in fact the overwhelming majority of people are unaware even that a CA4 trade deal is in the making.

To illustrate my point, take the case of my colleague, Paul Dauphinais, a teacher who has travelled on numerous occasions to Guatemala and Honduras, arranging social-assistance programs in which Canadian students work with local communities in those countries. In spite of his active and ongoing work in this field, when I asked him on February 2, 2001, about whether he had considered submitting something to the CA4 free trade deal consultation, he responded with surprise, saying that he was unaware even that any such trade deal was being considered.

It should be noted that the areas of concern which Canadians have been specifically invited to comment upon are overwhelmingly biased in favour of business interests and aggressive liberalization. Basically, people are urged to target barriers they would like to see removed. The guidelines consistently fail, however, to emphasize the much more crucial issue of how to protect national interests and sovereign rights. The guidelines are designed, therefore, with the goal of tilting the consultation playing field steeply in favour of broad liberalization.

After the NAFTA experience of lost jobs (the real ones, I'm speaking of, not the hand-to-mouth McJobs that have taken their place), erosion of health and environmental standards, and loss of control over sectors of the economy which are essential to our well-being (i.e. energy), one would imagine that a consultation would set out asking people what sort of protective foundation they would implement to prevent such a debacle from reoccurring. But no, "environment, basic workers' rights, human rights, and other social concerns" are clumped into the last section, as if they were inherently somehow subordinate and peripheral to all other considerations. We might further note how the Industry Canada guidelines (see <http://strategis.ic.gc.ca/SSG/bi18545e.html?he=1>), practically identical in every other respect, simply omit this last suggestion, implying that it is quite pointless to be asking industries about environmental and human rights concerns. Unfortunately I would agree.

Concerned business interests stand to gain directly and disproportionately in comparison to the rest of the nation from specific liberalization measures. It is in their interests to invest time and effort into producing detailed reports concerning the potential profits afforded by new markets, and it is also in their interests, which are by definition profit-oriented, to ignore many of the broader human and environmental aspects of trade which might cast a negative light upon their ambitions. But a democracy is not made up of businesses; it is made up of citizens. To solicit opinions from business representatives in a trade-deal consultation is one thing, but one cannot turn around and later use such a consultation to justify the trade negotiation process as 'democratic'.

Concerning the trade deal itself, like the average citizen, I am concerned but poorly informed. I am aware that in Guatemala and Nicaragua, economic restructuring has taken a tremendous toll and has resulted in numerous human rights violations and increased poverty. I am aware that local farmers, particularly in Nicaragua, are already under assault from austerity measures imposed by the IMF and by severe price competition from large multinational agricultural concerns. I am aware that the World Bank-sponsored Chixoy Dam project in Guatemala resulted in, among other things, the massacre of many people of the Rio Negro community. I am aware that wetlands in Honduras are being rapidly devastated by expanding cattle farms, and that toxic effluents from unregulated industry threaten the health of many smaller ethnic groups.

Perhaps even more worrisome are plans to privatize huge chunks of government services, which will ultimately have the effect of entrenching what are already two-tier societies, and of deepening the gap between rich and poor.

In short, I am aware that the recent efforts to expand and to restructure the economies of these countries and to accelerate resource exploitation have had terrible repercussions for the majority of people affected.

Our elected politicians often speak about how we must pursue globalization with a 'human face', work to eliminate poverty, uphold human rights, place environmental concerns among our top priorities; and most of all, encourage everyone to participate. Politicians— and here I am speaking of people such as Jean Chrétien, Lloyd Axworthy, Paul Martin, Paul Pettigrew, etc.- are saying these things not simply because they sound laudable, but because they represent the spirit in which their constituents would like to see globalization taking place. But the consequences of increased liberalization pressures in Central America via a broadly comprehensive free-trade deal with Canada can only be expected to exacerbate the problems related to these issues.

I am in agreement with my colleague, Paul Dauphinais (who, though he would have liked to, was unable to contribute directly to this consultation due to time constraints), that a free trade deal must be built upon a framework of social, human rights, and environmental concerns. This means establishing the social, human rights, and environmental objectives and safeguards first, and then fitting in liberalized trade measures where they contribute constructively with these objectives.

The way in which this consultation process has been undertaken, however, seemsto suggest at the outset a diametrically opposite approach. My primary suggestion would therefore be that this consultation process be redesigned in favour of one which seeks suggestions on how to establish an equitable social, human rights, and environmental framework. I would also suggest that such a consultation be more broadly publicized, be held over a much larger timeframe, and that more effort be made to disseminate pertinent information and encourage public debate.

Eric Squire  
Teacher, CEGEP Montmorency  
Laval, Quebec



**Dubien, Deric -EAI**

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**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** January 22, 2001 10:08 AM  
**To:** Hey, Sabine -EBC; Dubien, Deric -EAI  
**Subject:** TR: central american trade

-----Message d'origine-----

**De:** Michael DesRoches [mailto:miked54@hotmail.com]  
**Date:** 21 janvier, 2001 14:11  
**À:** consultations@dfait-maeci.gc.ca  
**Objet:** central american trade

Michael DesRoches

1444 Mackay- 2003  
Montreal, PQ  
H3G 2H9

The liberalization of trade in Central America may well provide excellent opportunities for Canadian business expansion and growth however this is not the only thing which should be considered. The effect of free trade agreements on small countries can be devastating. As a result of NAFTA we have seen the growth of near slave labour conditions in Mexico and extremely negative effects on the Mexican environment and people. Turning Central America into a client state of Canada will devastate these countries and destroy the bare level of human rights which now exists there. Canada should not enter into any further free trade agreements particularly any agreement which does not demand a basic level of workers rights, human rights, environmental protection and wages. It is irresponsible for Canada to put its own business interests ahead of the creation of sustainable economies in the southern hemisphere.

Michael DesRoches

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Get Your Private, Free E-mail from MSN Hotmail at <http://www.hotmail.com>.



Last name: MacDonald  
 First name: Jamie  
 e-mail address: jamie\_macdonald@hotmail.com  
 Company Name: Dalhousie University  
 Province: Nova Scotia

#### Questions

Please comment on:

1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.

In addition to removing barriers to trade, what is also necessary, assuming we want to create a sustainable future along with economic growth, is to negotiate the reduction of economic subsidies, incentives and taxes that essentially reward the things in society we do not want (pollution, consumption, waste), and penalize the things we do want (employment, income, etc.). That is a great challenge.

In addition to removing barriers to trade, what is also necessary, assuming we want to create a sustainable future along with economic growth, is to negotiate the reduction of economic subsidies, incentives and taxes that essentially reward the things in society we do not want (pollution, consumption, waste), and penalize the things we do want (employment, income, etc.). That is a great challenge.

2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.

3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.

4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).

5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).

6) Any other issue of interest to your firm.

As long as these trade agreements don't require governments to forfeit their rights to implement stronger labour and environmental standards, I'm fine with it. But when these agreements create an incredible chill over environmental policy development, the public loses. In this case, the gov't has essentially compromised the public good for the sake of economic gain, and this of course, leads to a dead-end future. Remember, the role of the government is to ensure the public good is represented in its entirety, not the will of corporations to the exclusion of other interests in society.

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Names and email address(es) for other people you think would like to provide their views and comments on this free trade agreement initiative:  
 (Separate multiple values with a semi-colon ";")



## Dubien, Deric -EAI

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**From:** Aimee van Drimmelen [avd360@hotmail.com]  
**Sent:** January 18, 2001 8:25 PM  
**To:** deric.dubien@dfait-maeci.gc.ca  
**Subject:** 'free trade' and the FTAA

I am a very concerned Canadian citizen.

I am concerned about the REAL effect 'free trade' is having on lesser developed, poor countries, as well as Canada. Statistically it is obvious that the companies that move to these countries do much more harm than good, employing people at very low wages, exploiting the environment, firing strikers because there is a constant pool of un-employed people to fill the gaps, thus disbanding unions... the list goes on. Prove to me that the education rates, or health care rates in Central America, for example, have gone up as significantly or at all, as promised in the FTAA, and NAFTA literature I have read.

Canadians, Americans, Europeans, Central/South Americans, Africans, Indians, Asians - there are many of us that know what is really going on, and what is behind the flowery language used in the preambles of these so called "free trade" agreements. I wonder why are the official documents of the FTAA not available to the public? This proves that it can be picked apart by intelligent people who are critical of the capitalist corporate agenda. There are many questions to be answered, and we are waiting.

Aimee van Drimmelen  
[avd360@hotmail.com](mailto:avd360@hotmail.com) <<mailto:avd360@hotmail.com>>



Last name: Nagle.  
 First name: George S.  
 e-mail address: Nawitka@aol.com  
 Company Name: Nawitka renewable resource consultants ltd  
 Province: British Columbia

### Questions

Please comment on:

1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.

services - professional (environment, forestry, economics in our case)

forest products, raw materials (eg hardwood logs)

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2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.

do not know of any... furniture?... but this should be a plus for these countries.

do not know of any... furniture?... but this should be a plus for these countries.

3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.

development/furtherance of expert and honest brokers/agents

residency/work requirements

development/furtherance of expert and honest brokers/agents residency/work requirements

4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).

services should be included - facilitation as #3

services should be included - facilitation as #3

5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).

investment should be included; Canadian tax regime(s) likely a problem or incentive

investment should be included; Canadian tax regime(s) likely a problem or incentive

6) Any other issue of interest to your firm.

incorporation, residency requirements

incorporation, residency requirements

Names and email address(es) for other people you think would like to provide their views and comments on this free trade agreement initiative:

(Separate multiple values with a semi-colon ";")

Would you like to be kept informed of the results of this consultation by email?

Yes

No

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## Dubien, Deric -EAI

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**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** February 2, 2001 2:28 PM  
**To:** Hey, Sabine -EBC; Dubien, Deric -EAI  
**Subject:** TR: Trade Negotiation contribution from NAIT

**Importance:** High



Microsoft Word 4

—Message d'origine—

**De:** joseb@nait.ab.ca [mailto:joseb@nait.ab.ca]  
**Date:** 2 février, 2001 12:07  
**À:** consultations@dfait-maeci.gc.ca  
**Cc:** kilgour@parl.gc.ca  
**Objet:** Trade Negotiation contribution from NAIT  
**Importance:** Haute

**ATTN:** Déric Dubien  
Trade Policy Planning Division  
Department of Foreign Affairs and International Trade  
Tel: (613) 996-4319  
Fax: (613) 944-0757

Dear Mr. Dubien:

The Northern Alberta Institute of Technology (NAIT) would like to make a small but significant contribution to the trade negotiations with El Salvador, Guatemala, Honduras, and Nicaragua. Please find attached a word document containing NAIT's perspective on this matter.

Should you have any further questions concerning this document, please do not hesitate to contact me at the information shown below.

Sincerely,

Jose Balcaceres, B.Mgt.  
Latin America Project Specialist  
International Education and Business Development  
Northern Alberta Institute of Technology (NAIT)  
Tel: (780) 491-3971  
Fax: (750) 471-8448  
E-mail: joseb@nait.ab.ca  
URL: [www.nait.ab.ca/international](http://www.nait.ab.ca/international)

(See attached file: NAITcontributiontoDFAIT.doc)

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Consultations on Trade Negotiations with El Salvador, Guatemala, Honduras and Nicaragua

The Government of Canada is seeking the opinions of Canadians on the possible scope of a free trade agreement between Canada and the Central American countries of El Salvador, Guatemala, Honduras and Nicaragua.

Background

A free trade agreement with Central America would improve our trade and

political ties with the region's rapidly growing economies. Although the region is a relatively small market, Canada's efforts in expanding its role in Central America are paying dividends. Our exports to the region are growing, and Canadian companies have been successfully competitive.

Canadian direct foreign investment in the region is approximately \$209 million. In March 1998, Canada signed a Memorandum of Understanding on Trade and Investment with Central America to enhance our economic relations with the region.

Increasing investment in these countries by international financial institutions, notably the IABD and the IDB, has led to industrial and commercial expansion in the region. In 1995, Canadian exports to the four countries totaled \$94 million, while imports were valued at \$197.3 million. In 1999, Canada exported goods worth \$211.8 million to Central America and imported goods worth just over \$251 million.

Recent trade and economic developments in Central America will offer increased opportunities for Canadian participation in sectors where Canadian companies have proven expertise. There is significant potential for Canadian companies in several priority export sectors, such as telecommunications equipment, environmental equipment and services, foodstuffs, automotive parts, and construction materials. Canadian exports include financial services, wheat, telecommunications equipment, newsprint and other paper products, potash, processed foods, fruits and vegetables, and plastics. Canadian imports include fruits and vegetables, textiles and apparel, sugar, electronic components, tobacco and coffee.

#### Submissions by Interested Parties

Consulting with Canadians on our mutual goals is an important part of how Canadian trade policy is formulated. It is essential that the Government of Canada be fully aware of the interests and sensitivities of Canadians with respect to this initiative. Therefore, we would welcome advice and views on any priorities, objectives and concerns about a free trade agreement with Central America. We seek input with respect to the following:

- \* opinions on areas of export interest, including products for which Central America should eliminate barriers. The Government is also seeking views on products for which there may be concerns if access to the Canadian market for Central American products were to be improved, including opinions on the staging of any concessions;
- \* views on general rules of origin issues and/or advice on appropriate rules of origin or procedures for specific products or sectors;
- \* any suggestions on "trade facilitation" issues, e.g. significant impediments related to import-related procedures;
- \* advice, views and experiences on customs-related issues for both travellers and commercial goods entering or leaving the region;
- \* advice and views on the possible inclusion of investment within the scope of negotiations, the types of problems faced by Canadian investors in Central America, and the type of investment rules that would provide them with better access, treatment, protection and predictability for their investments;
- \* advice and views on the possible inclusion of services within the scope of negotiations, service sectors in Central America that could be a target for further liberalization, and opinions on measures affecting access, including regulatory measures that restrict trade in services;

- \* advice and views on the possible inclusion of competition policy within the scope of the negotiations;
- \* views on ways to reflect the interests and values of Canadians in the areas of the protection of the environment, basic workers' rights, human rights, and other social concerns, as they relate to Central America; and
- \* views on any other related issues.

All interested parties are invited to submit their views at the earliest opportunity. Submissions should be received before Friday, February 2, 2001, containing the following:

- \* the contributor's name and address;
- \* information on the issues being addressed; and
- \* precise information on the reasons for positions taken, including anticipated effects on employment and production in Canada, on import and export interests, and on any other social or economic interests in Canada.

Contributions can be sent by mail, fax or e-mail to:  
Department of Foreign Affairs and International Trade  
Trade Negotiations Consultations (Central America)  
Trade Policy Planning Division (EAI)  
125 Sussex Drive

Ottawa, ON K1A 0G2  
Fax: (613) 944-0757

E-mail: [consultations@dfait-maeci.gc.ca](mailto:consultations@dfait-maeci.gc.ca)

Alternatively, views may be communicated through the Trade Negotiations and Agreements page (<http://www.dfait-maeci.gc.ca/tna-nac/menu-e.asp>) of the Department of Foreign Affairs and International Trade's Internet site.

For more information, please contact:  
D eric Dubien  
Trade Policy Planning Division  
Tel: (613) 996-4319  
Fax: (613) 944-0757  
E-mail: [deric.dubien@dfait-maeci.gc.ca](mailto:deric.dubien@dfait-maeci.gc.ca)

(See attached file: NAITcontributiontoDFAIT.doc)

**CONSULTATIONS ON TRADE NEGOTIATIONS WITH  
EL SALVADOR, GUATEMALA, HONDURAS, AND NICARAGUA**

## INTRODUCTION

The Canadian Government is requesting the opinion of Canadians on the possible scope of a free trade agreement between Canada and the Central American countries of El Salvador, Guatemala, Honduras, and Nicaragua. The Northern Alberta Institute of Technology (NAIT) welcomes this opportunity to provide input based on its extensive experience of over 34 years of international work around the world. Although NAIT has done work and is currently working in Latin America, NAIT views Central America as a potential market. This document will allow us to present the local socioeconomic needs that NAIT can satisfy when entering Central America. Similarly, it will state how a free trade agreement between Canada and the mentioned Central American countries will facilitate NAIT's entry into their technical/vocational training markets.

Since NAIT is in the technical/vocational training industry, a service industry, this document is solely meant to represent trade benefits that would reduce international risk for NAIT when entering Central America as a potential new market.

## PROFILE OF NAIT



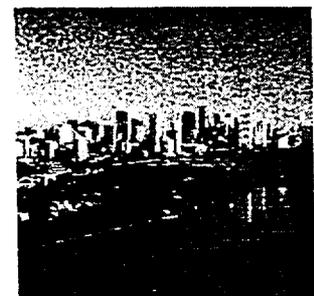
The Northern Alberta Institute of Technology (NAIT) is the largest technical institute in Canada with a primarily publicly funded operating budget of over CDN\$100 million and an enrolment of over 14,000 full-time and apprenticeship students along with part-time students numbering over 35,000.

NAIT was founded in 1962, but since 1982 it has been governed by an autonomous board. The Institute's mandate is to act as a tool for economic development with its practical "hands-on" approach to career oriented business, technological and trades education. NAIT is world renowned for developing curricula in tune with the real needs of the workplace. More than 700 business, industry, and government leaders serve on NAIT's 54 full-time program advisory committees. These crucial links with industry provide NAIT with a job placement rate greater than 80 percent.

Offerings in more than 85 different full-time programs, 36 apprenticeship trades and more than 900 continuing education courses span a wide variety of career fields. Students can earn a certificate, diploma or applied degree in disciplines that include:

- Applied Building Science
- Business
- Electrical and Electronics Technology
- Health Sciences
- Information Management and Communications
- Mechanical and Manufacturing Technology
- Resources and Environmental Management
- Trades Training

NAIT is located in Edmonton, Alberta, the center of Canada's refining and petrochemical industry. Alberta produces 85% of Canada's oil and gas and NAIT plays an important role by training qualified graduates for the refining and petrochemical industry.



NAIT has trained specialists and instructors from more than 50 countries over the last 35 years and has earned wide international recognition. NAIT's international success can be attributed to its ability to design practical training programs that are customised to meet specific customer needs. NAIT also has extensive experience working with other international education institutions to develop their capacity in the areas of curriculum development, instruction, organisation and equipment.

NAIT's international clients especially appreciate the cultural sensitivity exhibited by NAIT staff members. Full consideration is given to each client's social and religious requirements. NAIT is located close to Edmonton's largest mosque, and halal butchers are nearby. Although there is no official NAIT residence, we will help the candidates to view and select a comfortable, inexpensive apartment close to NAIT.

*The mission of NAIT is to anticipate and meet the needs of students and the economy by combining outstanding applied education with a human touch.*

## **THE NEED FOR TECHNICAL EDUCATION IN CENTRAL AMERICA**

The improvement for education in Central America is essential for achieving the goals of human development, social change, economic progress, and the elimination of poverty set by the heads of states and governments of the Americas in the Plan of Action of the Second Summit of the Americas held in Santiago, Chile, in 1998. Based on its worldwide experience, NAIT is in a particularly advantageous position to assist in the improvement of technical education in Central America by providing practical, hands-on, globally recognized training for local educational solutions, particularly those aimed at eradicating poverty and fostering economic growth.

Three intertwined social objectives drive governments to invest in education in Central America: providing a skilled and flexible workforce in the interest of economic growth, fostering social cohesiveness and promoting democracy, and reducing social inequalities and poverty. However, revolutionary changes taking place in the world are forcing Central American economies to take a new approach to educating their citizens in the future.

Social and economical factors that most greatly emphasize society's demand on the improvement of the education system in Central America:

1. Economic globalization and technological change are increasing the demand for workers with higher qualifications and the capacity to continually learn and adapt. One result is rising percentages of return to higher education throughout Central America.
2. Extreme wage inequality and persistent poverty rates in Central America translate into the need for great improvements in the equality of higher education opportunities

in the region. Rising relative wages for the most educated and most skilled fuels an already extreme inequality of income in the region.

3. Participatory democracy in Central America result of an almost universal transition from dictatorship in the region, combined with an increasingly civil society, and growing problems of violence and crime translate into another new demand on the educational system – that of encouraging social cohesiveness and civic participation.
4. The role and organization of the state have changed in most countries of Central America, resulting in subnational governments having substantial educational responsibilities and the private sector having an increasingly important role in the finance and provision of education, especially at the technical level. The resulting challenge for the region is to reengineer central government ministries, develop capacity at the local level, and formulate public policies for private sector development in education.
5. The major demographic transition that the region is experiencing will result in a stable-sized school-age population by 2010 and a decreasing percentage of young people in the population over the first half of the 21<sup>st</sup> century. The result is a unique opportunity to focus on the quality of instruction over simply expanding enrollments, and a need for a increment in human capital of a shrinking share of young people.

#### **BENEFITS THAT NAIT CAN OFFER TO CENTRAL AMERICA**

With more than 34 years of international experience, in many occasions NAIT has developed projects in conjunction with international funding institutions such as CIDA, ACCC, WBCD, ADB, CDB, etc.; subsequently, many of the factors mentioned above have already been part of the objectives when completing these projects. On the private side, NAIT has worked in joint projects with corporations such as Sherritt International, Exxon Mobile Global Services Company, Umm-All Jawaby Oil Services, Wintershall BASF, NAFTOGAZ, etc. This is why we believe that NAIT is exceptionally well suited for entering the Central American market while fulfilling the socioeconomic requirement faced by these populations. Please find attached examples of international training projects in Appendix 1.

The private sector is becoming increasingly involved in providing educational services, managing public schools, and supporting specific school programs in Central American countries. In general, private initiatives are more evident in those areas of the education sector where public coverage has historically been limited. In the Central American countries, many governments see the involvement of private sector as a potential solution to many educational problems. NAIT can play an important role because one of its strengths lies in developing and strengthening relations between industry and technical education institutions through its Institutional Development Program. NAIT's level of training is best done in-country, to develop systems and institutes to produce a modern, skilled workforce trained in country, with curriculum linked to local industry needs, and

instruction in the local language. Please find examples of Institutional Development Projects in Appendix 2.

### **WHAT BARRIERS NEED TO BE LOWERED IN THE EDUCATION INDUSTRY IN CENTRAL AMERICA?**

Since the majority of the consumption in this sector takes place abroad, measures restricting the mobility of trainees may require particular attention. Trainees usually face direct restrictions such as immigration requirements and foreign currency controls. Similarly, representatives of the education industry have indicated various indirect barriers. These include in particular the difficulties faced by students in translating degrees obtained abroad into national equivalents, a process which often appears to be based on subjective criteria. In this regard, the development of agreements concerning standards for professionals training, licensing and accreditation might significantly benefit trade in this fashion, as foreign-earned degrees become more acceptable.

With respect to establishing commercial presence, potential barriers include the ability to obtain national licenses (i.e. to be recognized as a diploma/certificate granting educational institution), measures limiting direct investment by foreign education providers (i.e. equity ceiling), nationality requirements, needs tests, restrictions on recruiting foreign teachers, and the existence of government monopolies and high subsidization of local institutions. For instance, while allowing foreign educational providers in their market, some countries in Central America do not legally recognize them as education institutes, restricting the granting of credentials to domestic students. In some cases, students enrolled in these institutions might not qualify for benefits such as financial assistance.

The types of restrictions mentioned above are also relevant to the presence of natural persons, particularly those requiring immigration requirements, nationality conditions, needs tests, and recognition of credentials. For example, most countries in Central America limit the inflow of foreign instructors through various regulations concerning length and stay, payments of taxes, and needs tests.

### **CONCLUSION**

NAIT knows that the crucial role of education is fostering economic growth, personal and social development as well as reducing inequity. El Salvador, Guatemala, Honduras, and Nicaragua seek to ensure that their populations are well equipped to contribute to, and participate in, the process of social and economic development. NAIT realizes that education will help these countries face the challenges of technological change and global commercial integration. Through its capacity to provide skills and enable effective participation in the work force, and with the accessibility of a free trade agreement between Canada and these countries, NAIT would assist El Salvador, Guatemala, Honduras, and Nicaragua to accomplish a crucial economic adjustment through the training of their human resources.

**APPENDIX 1**

## NAIT International Experience

The following table provides examples of relevant NAIT international experience over the past three years.

Date	Country	Project Description
October, 2000	Argentina	Three week training program at NAIT in Environmental Management and "Becoming A Master Instructor" for HSE trainers from IAPG.
September, 2000	China	Two week strategic planning workshop for Directors from the South West Petroleum Institute (SWPI) in Chengdu, China.
August, 2000	China	Human Resource Management training at NAIT to HR specialists from the People's Republic of China.
April, 2000	Argentina	Three week training program at NAIT and SAIT in Health and Safety management and "Becoming A Master Instructor" for HSE trainers from IAPG.
March, 1999 - June, 2001	Cuba	Development of the Juragua Polytechnical Institute to provide training in Instrumentation, Mechanical and Electrical skills to Cuban technicians
August, 1996 - June, 1999	Thailand	Development of a Technical Training Center in cooperation with the Rajamangala Institute of Technology in Thailand for Instrumentation, Electrical Technology and Process Operations.
Sept., 1999 - Dec., 2000	Argentina	Development of Health, Safety and Environmental competencies for the Argentine Oil industry (CIDA project)
Sept., 1999 - April, 200	Poland	Instruction in Poland to supervisors and technicians from the public broadcasting system in training methods, human resource development, marketing, and strategic planning.
Sept., 1999 - Feb., 2000	Cuba	Instruction at NAIT in Computer Systems and Telecommunications Engineering for Cuban technicians
1998 - Present	Algeria	Health, Safety and Environmental training in Algeria for supervisors and technicians from the oil and gas industry
1998 - Present	Cuba	Instruction in Cuba, in cooperation with the Alberta Apprenticeship program, to prepare welding technicians
1988 - Present	Libya	Instruction in all aspects of oil and gas production and processing to more than 200 technicians and supervisors from the Libyan oil industry
July, 1999	Russia	Instruction at NAIT in Wood Construction and Train the Trainer to technicians and instructors from Russia
May, 1999 - April, 2000	Cuba	Instruction at NAIT in Accounting and Train the Trainer for instructors from the Cuban Ministry of Basic Industry (MINBAS)
May, 1999	Cuba	Instruction in Train the Trainer (Spanish and English) to instructors at the MINBAS welding school in Moa, Cuba
April, 1999	Cuba	Instruction in Occupational Profiling for Human Resource Development for human resource managers from the Cuban Ministry of Basic Industry (MINBAS) in Havana Cuba
March, 1999	Argentina	Development of competency profiles and training materials for

		an Instrumentation program in Neuquen, Argentina
November - April, 1999	Cuba	Instruction at NAIT in Instrumentation, Electrical Maintenance, Mechanical Maintenance and Train the Trainer to instructors from the Cuban Ministry of Basic Industry (MINBAS)
November - April, 1999	Abu Dhabi	Instruction at NAIT in management and technical skills

**APPENDIX 2**

## NAIT Experience in Institutional Development

Within the last 10 years, NAIT has done major institutional development projects in:

<b>Pakistan</b>	<p><b>Oil and Gas Training Institute (OGTI), Islamabad</b>          The mission of OGTI is to provide technical training to the oil and gas industry in Pakistan. NAIT has been working with Pakistan government and the petroleum industry in the areas of strategic planning, policy development, curriculum design, and instructor training to develop OGTI into a world class petroleum skills training institute.</p>
<b>Swaziland</b>	<p><b>Swaziland College of Technology (SCOT), Mbabane</b>          NAIT implements a Village Level Operation and Maintenance system (VLOM) in its SCOT Water Technician Program by integrating local expertise, materials and resources in the development and maintenance of water supply systems. After the implementation, not only were the villagers comfortable with the use and maintenance of water systems, but were able to adapt the mechanism to increasing populations.</p>
<b>Argentina</b>	<p><b>Instituto Tecnológico de la Patagonia (ITEP), Neuquén</b>          ITEP was established in the Provincial of Neuquén to provide practical, applied training programs at the diploma and certificate levels for the upstream and downstream sectors of the oil and gas industry. In partnership with the Neuquén Department of Education and representatives from the energy industry, NAIT consultants designed a competency-based curriculum as a basis for further development of the institute.</p>
<b>Cuba</b>	<p><b>National Center for Industrial Certification (CNCI), Cienfuegos</b>          CNCI is a vocational and technical institute to train and certify high-level master craftsmen who will support basic industry – petroleum, mining, electrical, power, chemical, wood and paper, and other industrial production sectors of the Cuban economy. The school facilitates the training of students in the Instrumentation, Power Systems, Electrical, Millwright and Machinist technologies. Development of the curriculum and training resources and virtual library was based on a needs assessment conducted by program specialist from NAIT, in conjunction with Cuban industry representatives and technicians.</p>
<b>Ecuador</b>	<p><b>Escuela Superior Politecnica del Litoral (EPSOL), Guayaquil</b>          In 1984, after a brief (two-week) NAIT implemented its institutional development process in three main areas: Mechanical, Electrical, and Electronics. Ecuadorian educators trained at NAIT's methodology are now performing consultancy work at other technical institutions in Ecuador – testimony to the success of NAIT's work there.</p>
<b>Thailand</b>	<p><b>Technical Training Centre for the Process Industries (TTC), Bangkok</b>          TTC was established to facilitate the delivery of customized training to industry in Thailand. TTC was originally founded by RIT with</p>

	<p>the support of the Federation of Thai Industry and Petroleum Authority of Thailand and continues to operate as a self-supporting cooperative venture between public and private sector. Representatives of RIT and NAIT worked closely together to plan and develop the extensive lab facilities for Instrumentation, Process Operations, Electrical Maintenance, and Chemical Laboratory Training.</p>
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Last name: Johnson  
First name: Wesley  
e-mail address: wjohnso@okanagan.bc.ca  
Company Name: Okanagan University  
Province: British Columbia

**Questions**

Please comment on:

1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.

2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.

3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.

4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).

I am very concerned about the inclusion of social services in any free trade agreement.

I feel strongly that medical and education services should be excluded from any future negotiations with this or with a larger (eg N & S America) group.

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6) Any other issue of interest to your firm.

Names and email address(es) for other people you think would like to provide their views and comments on this free trade agreement initiative:

(Separate multiple values with a semi-colon ";")

Would you like to be kept informed of the results of this consultation by email?

Yes

No

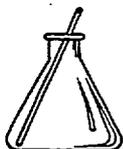
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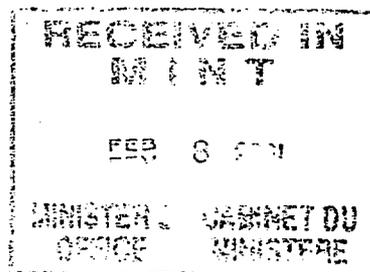
PRODUITS CHIMIQUES SPÉCIALISÉS

# OMNI-CHEM

SPECIALIZED CHEMICAL PRODUCTS

T-00757-01

Montréal, le 7 février 2001



Direction de la planification de la politique commerciale (EAI) / Amérique central  
Ministère des Affaires étrangères et du Commerce international  
**Attention : L'honorable Pierre S. Pettigrew**  
125, promenade Sussex  
Ottawa (Ontario) K1A 0G2

Monsieur le Ministre,

J'aimerais tout d'abord vous remercier pour l'attention que vous manifestez en considérant la consultation des entreprises canadienne tel OMNI-CHEM dans l'établissement des politiques commerciales internationales.

Je tiens également à préciser qu'OMNI-CHEM a adopté une stratégie de développement international à travers laquelle la pénétration du marché de l'Amérique Centrale y est ciblé.

Le choix de nos pays cibles (Guatemala, Nicaragua, Honduras et Salvador) dans le secteur de l'agro-alimentaire a exigé de nombreux efforts d'analyse. Après plusieurs années de réflexion et de prospection, la direction d'OMNI-CHEM a décidé de concentrer les efforts de son entreprise dans cette région du globe.

La création éventuelle d'une zone de libre-échange des Amériques (ZLEA) d'ici 2005 constitue certainement le plus grand événement de l'histoire économique des Amériques. OMNI-CHEM a donc décidé de jouer un rôle actif au sein de cette nouvelle zone commerciale. C'est dans cette perspective qu'OMNI-CHEM désire s'implanter en Amérique centrale. Le Guatemala, le Salvador, le Honduras et le Nicaragua se sont joints au cours des dix dernières années aux tendances mondiales d'ouverture des marchés et de la mise en place d'une structure démocratique. Leur commerce s'est accru de 18 % avec le reste du monde.

Nous avons choisi comme cible les pays pré-cités où nous avons de bons contacts et une bonne connaissance des acteurs et des intervenants. Cette connaissance du marché local vient aussi du fait que nous avons recruté des techniciens d'origine salvadorienne et nicaraguayenne à notre siège à Montréal garantissant ainsi de meilleures chances de succès.

.../2

Les analyses de marché partielles et nos expériences de démarchages nous ont permis de cibler ces marchés à cause de leur proximité, de l'existence d'une demande pour nos produits et services, d'une relative marginalisation de ces marchés par nos concurrents, du relativement faible coût des transports internationaux, de l'absence majeure de décalage horaire et d'un retour à la démocratie après plusieurs décennies de dictature militaire.

Ces choix sont basés sur nos contacts dans les pays, les aspects linguistiques, les coûts de démarchage, la croissance du PIB, du potentiel des marchés et la concurrence locale.

Nous avons constaté que ces pays sont, en ce qui concerne le domaine de l'agroalimentaire, négligés et hors des grands marchés visés par nos concurrents. En effet, la plupart de nos concurrents ont des débouchés d'affaires au Brésil, au Chili, en Argentine et au Mexique. Cependant, ces petits pays sont peu conviés par les représentants et vendeurs d'équipements de produits et de services dans le secteur de l'agroalimentaire.

OMNI-CHEM vise des niches de marché présentes principalement dans les secteurs d'activités suivants :

- Usines agro-alimentaire;
- Usines de nettoyage de bouteilles;
- Fromageries;
- Laiteries;
- Abattoirs.

Certaines usines sont soumises à des exigences des gouvernements en terme de normes environnementales et au niveau du respect de la norme HACCP. La plupart des usines agro-alimentaires seront appelées, dans un avenir rapproché, à respecter ces normes internationales compte tenue de la mondialisation et de la globalisation des marchés.

Dans un optique de développement stratégique des marchés ciblés pour notre entreprise, nous appuyons grandement votre initiative dans le projet de réalisation d'un accord de libre échange entre le Canada et l'Amérique Centrale.

Je vous prie d'agréer, Monsieur le Ministre, l'expression de mes sentiments les meilleurs.



Sylvain Arcand  
Vice-Président  
Ventes et marketing





# OSLER, HOSKIN & HARCOURT

Osler, Hoskin & Harcourt LLP  
*Barristers & Solicitors*  
Box 50, 1 First Canadian Place, Toronto, Ontario, Canada M5X 1B8  
T 416-362-2111 F +16-862-6666 www.osler.com  
TORONTO OTTAWA CALGARY NEW YORK

Tim Kennish  
Direct Dial: (416) 862-6432  
tkennish@osler.com

February 15, 2001

## SENT BY FACSIMILE

The Hon. Pierre S. Pettigrew  
Minister of International Trade  
Department of Foreign Affairs and International Trade  
125 Sussex Drive  
Ottawa, ON K1A 0G2

Dear Minister Pettigrew:

On behalf of Osler, Hoskin & Harcourt LLP, I am pleased to respond to your invitation to comment on the scope of a free trade agreement between Canada and Central America.

Osler, Hoskin & Harcourt supports the Canadian government's efforts towards increased access for Canadian goods and services in markets abroad, particularly those with potential for greater export and investment opportunities for the firm's clients and Canadian industry generally. On this basis, and as discussed below, we support the Central American free trade initiative.

An informal canvas of our firm's trade practice group has not resulted in identification of specific significant trade barriers or particular sectoral opportunities at this time. We have not had an opportunity to consult with our clients on the subject. However, we do consider that an FTA with El Salvador, Guatemala, Honduras and Nicaragua is an important step forward in the evolution of Canada's trade relations with this region.

In addition to building onto existing initiatives, a Canada-Central America free trade agreement usefully anticipates and advances the way for the broader FTAA, to which the new U.S. government has also promised a strong commitment.

We propose that the government use the NAFTA as a model for the agreement with Central America, for the following reasons:

First, the NAFTA would serve as a proven template, generally regarded by our clients and most commentators as a successful model for trade liberalization. In addition, the use of the existing form would conserve negotiating resources for all Parties that could then be devoted to the substance of trade liberalizing initiatives amongst the five countries. Further, use of the NAFTA model would enhance opportunities to expand the

**OSLER,  
HOSKIN &  
HARCOURT**

Page 2

membership and benefits of such an agreement with other countries by, for example, additional negotiations or accessions. Finally, such a model would facilitate a transition to a similarly effective form in an eventual FTAA.

In proposing the NAFTA as a template for a Central American agreement, we would also endorse the NAFTA's approach to tariff reductions appropriately staged to permit structural adjustment by Canadian sectors likely to be affected by increased liberalization. Application of NAFTA-type rules of origin should enable concessions to enure to the benefit of production in the region in a transparent and predictable fashion. Canada's implementation of previous free trade agreements has established the infrastructure to monitor and ensure compliance with such rules.

In our view, provisions on investment and competition policy, as already employed in the Chile and Costa Rica agreements should be pursued simultaneously with trade liberalization, as they are indispensable to adequate protection and predictability for Canadian investment in the region. Such safeguards are necessary ingredients to effectively deepening our relationship with Central America.

In closing, we sincerely appreciate your consideration of our views on this initiative, and would welcome the opportunity to submit additional views on behalf of ourselves and our clients as the agenda for this very positive development takes shape in the coming months.

Yours very truly,



Tim Kennish  
Co-Chairman

c: R. Cheng  
P. Glossop  
G. Somers



## Dubien, Deric -EAI

---

**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** January 24, 2001 10:10 AM  
**To:** Hey, Sabine -EBC; Dubien, Deric -EAI  
**Subject:** TR: Central America Free Trade

—Message d'origine—

**De:** Bayles, Jim [mailto:JMBayles@pacificapapers.com]  
**Date:** 23 janvier, 2001 20:00  
**A:** 'Pierre Pettigrew'  
**Cc:** Small, Al  
**Objet:** Central America Free Trade

Dear Mr Pettigrew,

Your letter of Jan 5, 2001 to Mr Al Small has been referred to me for a reply.

Pacific Paper's sales to Central America are currently focused on Newsprint and Light Weight Coated(LWC) paper sales to Guatemala. Our customer is La Prensa Libre with whom we have been dealing for many years and have an excellent relationship. Our sales in 2000 totalled slightly in excess of \$US 5mm.

Of course we would welcome any initiatives which would make trade with the region easier, as we have an infrastructure in place to deal with the markets and a reasonably cost effective distribution system.

Good luck with your initiatives,

Sincerely,

Jim Bayles  
Director, International & Canadian Sales  
Pacifica Papers Sales Ltd.,  
855 Homer Street,  
Vancouver, BC, Canada  
V6E 5S2  
Ph-(604)647-3427  
Fax-(604)647-3588  
Toll Free NA-800-958-4449  
www.pacificapapers.com



**Dubien, Deric -EAI**

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**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** January 22, 2001 10:06 AM  
**To:** Hey, Sabine -EBC; Dubien, Deric -EAI  
**Subject:** TR: Free Trade Agreement of the Americas

—Message d'origine—

**De:** Clement Hacault [mailto:agoint@mb.sympatico.ca]  
**Date:** 22 janvier, 2001 08:26  
**A:** 'consultations@dfait-maeci.gc.ca'  
**Objet:** Free Trade Agreement of the Americas

Parent Seed Farms Limited  
12 Martin St. - St. Joseph, Manitoba  
R0G 2C0 Canada  
www.parentseed.com  
E-mail : agoint@mb.sympatico.ca  
Phone: (204) 737-3008 Fax: (204) 737-2248

January 19, 2001

Esteemed Pierre S. Pettigrew,

Thank you for consulting with Canadian Exporters to assist in trade between Canada and Central America.

**OBJECTIVE.**

The objective for Parent Seed Farms Ltd. is to open more sales into the countries of Honduras, Nicaragua, Guatemala and El Salvador.

**PRIORITIES**

We would need Canadian Government assistance in promoting our products into these small markets. We could participate in a Trade Mission organized by Team Canada, or, other promotional venue.

Once relationships were built and sales made, EDC insurance would allow Parent Seeds to offer the credit these markets require.

**CONCERNS**

These export markets are smaller and require a lot of attention. A joint effort by Canadians is needed to make best use of time and resources.

Sincerely,

Mr. Clement Hacault  
International Representative  
Parent Seed Farms Ltd.  
Tel. 204 737 3008



Last name: Lopez  
First name: Allan  
e-mail address: moldes@yesic.com  
Company Name: Plasti-Teck  
Province: Ontario

### Questions

Please comment on:

1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.

2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.

I'm interested importing fruits and vegetables from Central America; Central America has good competitive and quality products at cheaper price than south america and Mexico.

Minimum requirements should be established for free trade to improve Canada's economy. Regards Alla Lopez P.Eng. Toronto ON

I'm interested importing fruits and vegetables from Central America; Central America has good competitive and quality products at cheaper price than south america and Mexico. Minimum requirements should be established for free trade to improve Canada's economy. Regards Alla Lopez P.Eng. Toronto ON

3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.

4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).

5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).

6) Any other issue of interest to your firm.

Names and email address(es) for other people you think would like to provide their views and comments on this free trade agreement initiative:

(Separate multiple values with a semi-colon ";")

Would you like to be kept informed of the results of this consultation by email?

Yes

No

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**Dubien, Deric -EAI**

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**From:** Richard Laughton [laughton@pollutech.com]  
**Sent:** January 9, 2001 1:56 PM  
**To:** consultations@dfait-maeci.gc.ca  
**Cc:** deric.dubien@dfait-maeci.gc.ca  
**Subject:** Free Trade Agreement - Nicaragua File Submission

Department of Foreign Affairs and International Trade  
Trade Negotiations Consultations (Central America)  
Trade Policy Planning Division (EAI)  
125 Sussex Drive  
Ottawa, ON K1A 0G2  
Fax: (613) 944-0757

E-mail: consultations@dfait-maeci.gc.ca

Thank you for sending us a copy of your e-mail notice dealing with "Consultations on Trade Negotiations with El Salvador, Guatemala, Honduras and Nicaragua".

Pollutech International Limited (<http://www.pollutech.com>) is an SME environmental firm with a decade of history in Nicaragua, and now additionally teamed with the SCI initiative in Costa Rica. You can read about our agreement signing, as witnessed by Ambassador Thibault at:

<http://www.pollutech.com/photostory/>

We have been active in Nicaragua for the past 10 years and we are now in the midst of working with DFAIT, EDC and CCC to try and put the finishing touches on an "All Canadian" environmental project worth about US\$ 10 million. We hope this will also be the first CDM project, so we are working closely with the DFAIT CDM team at the moment as well.

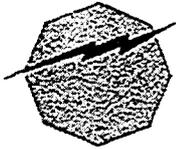
A summary of the Nicaragua project is attached. We thought you might be interested, as we haven't seen too many other Canadians working down there.

Richard

--

Richard V. Laughton, B.Sc., M.Eng., C.Chem., CEA, QEP  
President, Pollutech International Limited  
768 Westgate Road, Oakville, Ontario, CANADA L6L 5N2  
<http://www.pollutech.com> Tel: (905) 847-0065 Fax: (905) 847-3840  
Cellular: 416-219-6950 Text to Cell: 4162196950@pcs.cantelatt.com





**POLY-ÉNERGIE inc.**

Utilisation rationnelle de l'énergie



T-00552-01

Beauport, le 30 janvier 2001

Monsieur Pierre S. Pettigrew  
Direction de la planification de la politique  
commerciale (EAI) / Amérique centrale  
Ministère des Affaires étrangères et  
du Commerce international  
125, promenade Sussex  
Ottawa (Ontario)  
K1A 0G2



**OBJET :** Réponse à votre lettre du 15 janvier 2001

Monsieur,

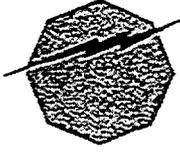
Nous vous remercions de nous donner l'opportunité d'ajouter nos commentaires au processus de consultation que vous avez lancé sur la politique commerciale canadienne en Amérique centrale.

En juillet dernier, grâce à la participation active de la Corporation Commerciale Canadienne et à l'exemplaire prestation de ses représentants sur le dossier, notre firme est parvenue à conclure une entente sur un projet d'amélioration et d'efficacité énergétique pour le réseau d'éclairage public de la ville de San José au Costa Rica. Ce contrat sera exécuté aussitôt que les organismes gouvernementaux de vérification costaricains auront donné le feu vert à sa réalisation.

Grâce à l'utilisation judicieuse d'une ancienne entente de collaboration technique Canada – Costa Rica, nous avons pu convaincre une société d'État, la Compañía Nacional Fuerza y Luz, de faire de nous son partenaire privilégié dans la réalisation de travaux d'amélioration de réseau d'éclairage public dans ce pays.

Le transfert de techniques avancées d'inventaire de réseau d'éclairage public au moyen de la localisation par GPS, la formation que nous fournirons aux installateurs costaricains et les produits de haute qualité de nos fabricants canadiens de luminaires ont permis à notre client de convaincre les responsables municipaux locaux que cette formule était plus avantageuse pour le Costa Rica que l'octroi de concessions à long terme à de grandes firmes du domaine (en général européennes). Une telle solution de concession cadenasserait virtuellement le marché pour une période de 15 à 20 ans.

.../2



M. Pierre S. Pettigrew

- 2 -

31/01/01

Par le passé, dans d'autres pays latino-américains, nous avons tenté d'établir ce genre de partenariat mais il avait été impossible pour une PME canadienne d'arriver à conclure des ententes du genre.

Nous vous invitons donc à inclure dans vos discussions durant les négociations sur l'accord de libre-échange un volet qui permettrait à des entreprises canadiennes représentées par la Corporation Commerciale Canadienne d'offrir en tant que partenaire privilégié des solutions clés en main à des organismes d'État ou municipaux d'Amérique centrale. Si la SEE pouvait s'y joindre pour le volet financement, les PME canadiennes comme la nôtre pourraient facilement l'emporter sur de gros joueurs européens tout en permettant à nos partenaires tant canadiens que d'Amérique centrale de se positionner solidement pour l'obtention de nouveaux contrats dans la région.

Nous vous prions d'accepter, Monsieur, nos salutations les meilleures.

**POLY-ÉNERGIE INC.**

Claude Routhier  
Vice-président opérations

CR/cg



Dubien, Deric -EAI

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From: Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
Sent: February 5, 2001 1:48 PM  
To: Hey, Sabine -EBC; Dubien, Deric -EAI  
Subject: TR: Canada - Central America Free Trade Agreement

—Message d'origine—

De: Sussex Davis [mailto:Sussex\_Davis@pml.com]  
Date: 2 février, 2001 15:36  
A: 'consultations@dfait-maeci.gc.ca'  
Objet: Canada - Central America Free Trade Agreement

Power Measurement is a manufacturer of digital power metering systems, based in Victoria, BC. We are currently doing about \$2 million (\$CDN) worth of business with Central American and a free trade agreement between Canada and this region would only add to the competitiveness of our products in this market. We fully support the participation of the Canadian Government in this initiative. If you have any questions or would like further information about Power Measurement or our activities in Central America please do not hesitate to contact me.

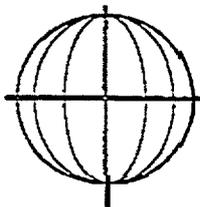
Best regards,

Sussex Davis

Latin American Sales Manager  
Power Measurement Ltd.



*fax #: (613) 944-0757*



## Presbyterian World Service & Development

*The development and relief agency of The Presbyterian Church in Canada*

February 2, 2001

Trade Policy Planning Division (EAD) / Central America  
Department of Foreign Affairs and International Trade  
125 Sussex Drive  
K1A 0G2

Dear Mr. Pettigrew,

I am grateful for the opportunity that you give me to provide some input on the planned free trade agreement between Canada and Central America.

I have some concerns when we think of setting up free trade agreements. I understand that in theory, our economy might benefit from such endeavours, and that it actually is the main impetus behind the negotiation of such agreements.

I am particularly preoccupied by the comment made this week by the Minister of Finance, the Honourable Paul Martin, on the fact that we have not yet seen the social benefits of the free trade agreements such as NAFTA. This demonstrates clearly that the social interests are clearly secondary to such agreements and that there is always hope for a 'trickle down' effect to the poorest sections of our population, and of those in the other countries of the agreements. History has shown us that this type of 'trickle down' effect rarely occurs and that the actual effect is rather a concentration of wealth, and an erosion of the middle class. We end up with a larger number of people who struggle to make ends meet while others, in much fewer numbers, build up fortunes. This is not the model that I was brought up to be proud of as a Canadian. I would rather see an increasingly large middle class and a substantial decrease of the numbers of poor people in Canada, as well as in countries with which we do trade.

I have noticed that the type of trade agreements made with Central American countries usually involve exploitation of cheap labour in those countries at the expense of jobs in Canada, and at the expense of quality of life for the people in those countries. There are countless examples of foreign owned maquiladoras in Central America, producing goods for export, while literally exploiting labour at the local level. You must have heard of stories of pregnant women being laid off, and of workers laid off because of union activities. We have laws in Canada to protect our workers, and we are proud of them. We should ensure that trade agreements with other countries include provisions to protect the workers in those countries just as we do in Canada. Isn't it hypocritical for Canadians to protect their own workers while exploiting others, on the basis of their geographical location. I demand integrity on the part of our government. Let us not promote the exploitation of workers in other countries, but let's encourage models that encourage the distribution of wealth.

Mr. Pettigrew, Canada has the responsibility of being an example to the world on how to create conditions that are proper for decent human development. We don't have a history of slavery in Canada, and we shouldn't encourage models that see workers as a 'disposable' commodity in any country. I would encourage you to enter in dialogue with you peers in Central America so that they establish conditions that protect their workers, just as they are protected in Canada. Once those conditions are met, then we can begin to discuss

.../2

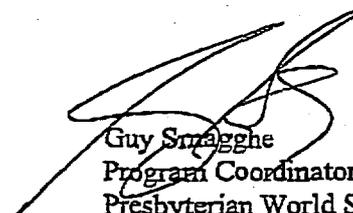
Presbyterian World Service & Development  
Service et Développement Mondial de L'Eglise Presbytérienne au Canada  
50 Wynford Drive, Toronto, Ontario, Canada M3C 1J7

0-

opening doors to trade. It is hypocritical to want to open trade of goods without allowing the free movement of the labour force. Therefore I urge you not to move fast on trade agreements but rather be strong on promoting just working environments. Think of your family and what sort of social safety nets, and working conditions, you want for them. Would you send your daughter to work in a maquiladora in a Central American country, where she would automatically be laid off if she became pregnant, where she would not be paid enough to be able to send her children to school, etc.?

We have to put social and human development of the most vulnerable sections of our societies as the first priority. If economic growth happens as a result of our investments in social and human development, that is good. I cannot accept that we just wait and hope that social and human benefit will eventually happen as a result of trade agreements. It is a question of priorities. If we consider all human beings as equals in front of God, let's make sure that we treat them as such. Finally, what is the human cost of Canadian companies competing successfully in the region? Are the poorest people of Guatemala, Honduras, El Salvador and Nicaragua reaping any benefits? We just can't afford to separate trade from human development.

I look forward to your comments on these concerns. Thanking you again for requesting my input.



Guy Smagghe  
Program Coordinator - Central America  
Presbyterian World Service & Development  
50 Wynford Drive  
North York, ON  
M3C 1J7





MINISTER OF  
INDUSTRY, TRADE AND MINES

WINNIPEG, MANITOBA, CANADA  
R3C 0V8

The Honourable Pierre Pettigrew  
Minister of International Trade  
Lester B. Pearson Building  
125 Sussex Drive  
Ottawa ON K1A 0G2

JAN 29 2001

Dear Minister:

Thank you for your letter seeking my views on a possible free trade agreement between Canada and the Central American countries of El Salvador, Guatemala, Honduras and Nicaragua. I appreciate the opportunity to present Manitoba's interests and sensitivities to such initiatives, particularly as trade agreements now reach into domestic policy regimes, including areas of provincial jurisdiction.

As I have noted in past correspondence regarding other proposed regional trade agreements, while such agreements can provide important export opportunities for Canadian exporters, they may also divert trade and investment as well as scarce political and negotiating resources. The potential for duplicating and overlapping agreements conferring and imposing differential rights and obligations can lead to confusion and business uncertainty. I hope that we will have an opportunity to discuss Canada's strategy regarding entering into negotiations toward further regional agreements at our meeting on February 5, 2001. In particular, I would be interested in knowing why we would choose to enter into separate trade negotiations with countries where we are already engaged in free trade negotiations under a broader umbrella.

Canada's and Manitoba's business interests in trade in goods, services and investment in these Central American countries are quite modest. We do not see a compelling commercial case for the initiative at this time and would suggest that any agreement be kept as simple as possible. In that context, we would suggest that Canada negotiate an agreement that covers only trade in goods, with protections consistent with those in Canada's other agreements allowing for the continuation of supply management systems. Another area that may hold promise for such an agreement would be opportunities for business facilitation measures. We believe that any issues related to trade in services and investment would best be handled in broader discussions under the Free Trade Area of the Americas.

While recognizing that our trading relationship with this region is modest, I also believe it is appropriate to pursue assurances from Canada's partners in any such regional trade agreements that they will maintain and enforce high labour and environmental standards. Finally, Manitoba believes that it is incumbent on the federal government to ensure that it adopts policies that complement trade liberalization e.g. those that help ensure that displaced resources are successfully re-employed through training, mobility and other social protection programs.



*Our Past Our Future. Our Celebration.  
Notre passé. Notre avenir. Notre fête.*

Received Time

Jan. 29. 4:11PM

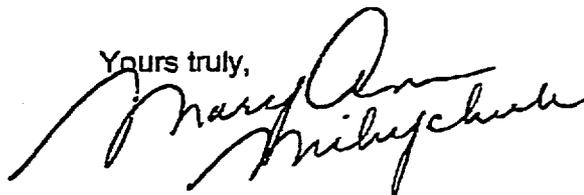
Print Time

Jan. 29. 4:12PM

In that context, I note that one of Canada's more significant imports from Central America is textiles and apparel. As you are aware, Manitoba has a significant garment industry that can potentially be impacted by trade liberalization initiatives. While the magnitude of Central American imports alone does not pose major concerns, it is important to recognize the full range of potential initiatives that could impact this sector, including the Free Trade Area of the Americas, China's accession to the World Trade Organization and Asia Pacific Economic Cooperation to name a few. I would ask that you take into consideration the potential cumulative impact of such initiatives on import-sensitive sectors such as textiles and apparel. The approach of looking only at potential impacts on the basis of individual initiatives may well result in understating the overall impact and thus the potential need for adjustment measures.

Thank you again for seeking Manitoba's views on the scope of a free trade agreement between Canada and Central America. I look forward to discussing this issue with you directly at our upcoming meeting in Ottawa.

Yours truly,



MaryAnn Mihychuk  
Minister



Minister of  
Economic Development  
and Trade

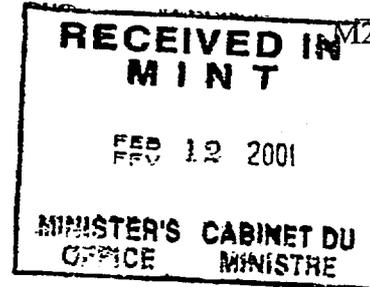
Hearst Block, 8th Floor  
900 Bay St.  
Toronto, Ontario  
M7A 2E1  
(416) 325-6900  
Fax (416) 325-6918  
www.ontario-canada.com

Ministre du  
Développement économique  
et du Commerce

Édifce Hearst, 8<sup>e</sup> étage  
900, rue Bay  
Toronto (Ontario)  
M7A 2E1  
(416) 325-6900  
Télécopieur (416) 325-6918  
www.ontario-canada.com



T-00808-01



M2001-0111-39388

February 7, 2001

The Honourable Pierre S. Pettigrew  
Minister  
Ministry of International Trade  
Ottawa, Ontario  
K1A 0G2

Dear Minister:

*Pierre*

Thank you for your recent letter about a possible free trade agreement between Canada and the Central American countries of El Salvador, Guatemala, Honduras, and Nicaragua. I welcome the opportunity to comment on this important matter.

As you may know, Ontario supports trade and investment agreements that provide commercial benefits to our exporters. As the Minister of Economic Development and Trade, I believe any agreement that facilitates the international activities of Ontario businesses, is worthy of pursuit.

A free trade agreement with these Central American countries would only provide modest benefits for Ontario. As you can appreciate, establishing a Free Trade Area of the Americas is of greater interest to our Province. In 1999, Ontario's exports to El Salvador, Guatemala, Honduras, and Nicaragua were valued at \$2.3 million, \$45.5 million, \$4.5 million and \$5.1 million respectively. In contrast, Ontario's 1999 exports to Latin America as a whole, were valued at more than \$2 billion.

Please be advised that I am prepared to review any proposals that you are considering with regard to other negotiating issues, from trade in services to investment provisions beyond the 1998 Memorandum of Understanding on Trade and Investment.

Once again, thank you for writing and asking for my input. Please be assured that I look forward to being apprised of your negotiating plans.

Sincerely,

*Al Palladini*

Al Palladini  
Minister





SASKATCHEWAN

T-00668-01

January 30, 2001

The Honourable Pierre Pettigrew, M.P.  
Minister for International Trade  
Government of Canada  
Lester B. Pearson Building  
125 Sussex Drive, Tower B, 5<sup>th</sup> Floor  
OTTAWA ON K1A 0G2



Dear Mr. Pettigrew:

I am writing in response to your letter requesting input into a proposed Free Trade Agreement between Canada and countries from Central America.

Trade policy falls under the jurisdiction of the Department of Intergovernmental and Aboriginal Affairs. Accordingly, the Honourable Jack Hillson will be writing to outline the Government of Saskatchewan's views regarding such an agreement. You may expect a reply from him very shortly.

However, I can tell you Saskatchewan agricultural producers have indicated through consultations that trade agreements must incorporate several key objectives. Trade agreements must result in greater market access for our agricultural exports, lead to reductions in trade distorting export and domestic subsidies, and ensure sanitary and phytosanitary restrictions are science-based. Finally, any rules regarding state trading enterprises must allow the Canadian Wheat Board to continue operating as an effective marketer of prairie grains.

Thank you for your attention to this matter.

Yours truly,

A handwritten signature in dark ink, appearing to read "Clay Serby".

Clay Serby  
Minister of Agriculture and Food

cc: Honourable Jack Hillson  
Minister of Intergovernmental and Aboriginal Affairs





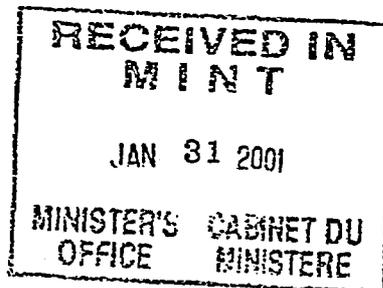
ALBERTA  
INTERNATIONAL AND INTERGOVERNMENTAL RELATIONS

Office of the Minister  
Also responsible for Aboriginal Affairs

T-00498-01

January 30, 2001

The Honourable Pierre S. Pettigrew  
Minister for International Trade  
Department of Foreign Affairs and International Trade  
Government of Canada  
125 Sussex Drive  
Ottawa, Ontario K1A 0G2



Dear Minister:

Thank you for your letter requesting preliminary comments on the start of negotiations between Canada and the central American countries of El Salvador, Guatemala, Honduras and Nicaragua.

As you are well aware, Alberta has had a long history of supporting trade liberalization efforts on a multilateral, regional and bilateral basis. While our exports to this group of countries is individually and collectively small in comparison to many other markets, there will still be benefits associated with obtaining commitments from these countries to further the trade liberalization. Furthermore, we expect that there may be additional benefits for the broader Free Trade Area of the Americas (FTAA) process in seeking a relatively high level of commitment from this group of countries.

We have enclosed some detailed information regarding the primary Alberta exports to this group of countries from 1995 to 1999 (the last year that data was available). In that time, total Alberta exports to this group have increased from approximately \$5 million to over \$28 million. The data indicates that Guatemala is by far the largest market for Alberta among this group of countries. Alberta's 1999 exports to Guatemala were primarily composed of grains such as wheat, oats and malt, as well as polyethylene, and sulfur.

We would support the negotiation of provisions related to investment and services in this agreement. Alberta's specific market priorities in the region are in the following sectors:

- Agri-food
- Building and Construction Equipment Materials and Services
- Education and Training Programs and Services
- Electrical Machinery, Equipment and Services
- Electronic Equipment Materials and Services
- Environmental Goods and Services
- Information and Communications Technology and Services
- Machinery, Boilers, Mechanical Appliances and Services
- Oil and Gas Equipment and Services

Our preferred approach to agricultural issues in these negotiations is consistent with our general approach to agriculture negotiations elsewhere. Our priorities include: the total elimination of all types of agricultural export subsidies; substantial reductions in trade and production-distorting domestic supports; and the eventual elimination of all market access restrictions (including "in-quota" and "over-quota" tariffs for products subject to tariff-rate quotas) for agricultural goods. The activities of state trading enterprises, like the Canadian Wheat Board, should be on the table. Sanitary/phytosanitary (i.e., human, animal, plant health) rules should be based on sound science and not cause unnecessary barriers to trade.

We would note that "side agreements" on labour and environment issues are being negotiated in the context of the Canada-Costa Rica free trade agreement. It would appear that there is an expectation that similar sorts of "side agreements" will be negotiated with this group of Central American countries. These side agreements cover topics that are directly within provincial jurisdiction. As we have stated in the past in relation to the negotiation of other Free Trade Agreement's (FTA's), coverage of provinces in such side agreements should not be assumed or implied to our negotiating partners. It should be made clear from the start to these countries that individual provincial coverage will be determined by provinces. Provinces will decide whether they should be covered by the obligations of these side agreements, and we will do so within the context of perceived benefits. Alberta will not be bound by any obligations in these anticipated side agreements unless we have had the opportunity to participate fully in their development and, should we find it desirable to do so, specifically notify that we agree to be bound by them. We would also expect that there would be appropriate agreements within Canada about the management of these side agreements, similar to the *Canadian Intergovernmental Agreements* related to the NAFTA Labour and environment side agreements.

We expect any proposals that the federal government may wish to make in these negotiations (regarding the trade agreement or the side agreements) will be shared with provinces before being shared or even discussed with the other countries involved so that we may consider their acceptability and offer changes in advance of their being

distributed. The unfortunate backward process that was used with regard to the proposed agreement on environmental co-operation with Costa Rica should not be repeated.

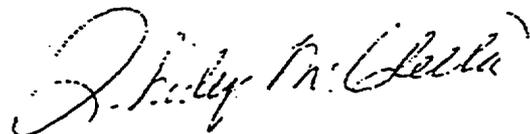
In light of the many different negotiations simultaneously underway in the region (FTAA, Costa Rica, CARICOM), we would seek your assurances regarding continued provincial participation in the negotiation of the agreements with this group of Central American countries. While it may not be possible for provinces to comment on each provision of each agreement, we must have ability and opportunity to review and comment on aspects of the negotiations that are of primary interest to us. Consequently, there must be adequate processes in place to facilitate full provincial involvement in the negotiations. As the number of negotiations in which Canada is involved increases, so too does the practical value and necessity of a clear and certain agreement between the federal government and provinces on provincial involvement in the development, negotiation and management of international trade agreements.

As you will recall, Alberta has argued for a written framework understanding between federal and provincial governments on trade policy matters (such as the negotiation of agreements and dealing with disputes) rather than relying on *ad hoc* arrangements. In this case, as there is no such framework in place, we will have to judge the merits of our coverage under this agreement based on the conduct and eventual content of the negotiations. We will consider and decide on the question of Alberta provincial coverage in the context of the process and the overall balance of benefits to Alberta of the outcome of the negotiations. It should be clearly understood by the other governments involved in this negotiation that coverage of subnationals by the trade agreement should not be assumed. This is consistent with the approach agreed upon by federal and provincial governments for the *Multilateral Agreement on Investment* negotiations.

Finally, with respect to potential subnational coverage of the trade agreement, should it eventually occur, we would only be prepared to accept a provision modelled on Article XXIV.12 of the General Agreement on Tariffs and Trade (1994). Alberta would oppose the inclusion of any extent-of-obligations clause similar to that found in Article 105 of the NAFTA.

Thank you for your consideration of these comments. Alberta looks forward to working with the federal government as these negotiations proceed.

Yours sincerely,



Shirley McClellan  
Minister

Enclosures



T-00669-01

Intergovernmental and  
Aboriginal Affairs



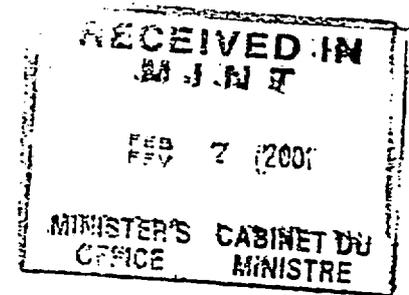
SASKATCHEWAN

Legislative Building  
Regina, Saskatchewan S4S 0B3

FEB 01 2001

Referral 2001-0006

Honourable Pierre Pettigrew  
Minister for International Trade  
Government of Canada  
125 Sussex Drive  
OTTAWA ON K1A 0G2



Dear Minister Pettigrew:

Thank you for your recent letter inviting comments concerning a potential free trade agreement between Canada and four Central American countries, namely El Salvador, Guatemala, Honduras and Nicaragua. These comments are made on behalf of the Government of Saskatchewan, including the Honourable Janice MacKinnon and the Honourable Clay Serby, to whom you also had written.

You will recall that in my letters to you in the context of Canada's expression of interest in negotiating free trade agreements with Costa Rica and Singapore, I raised concerns about the apparent lack of a policy rationale within the federal government for pursuing these relatively minor bilateral and regional trade agreements. These concerns remain with me. However, I do look forward to a good discussion of this issue with you and our colleagues at the federal-provincial-territorial meeting of ministers responsible for international trade on February 5<sup>th</sup>.

I believe that the views I provided in my earlier letters with respect to investment and services are also generally applicable in this particular free trade negotiation. Specifically, we would not support any agreement that contained NAFTA-like investment provisions that permit 'investor-state' challenges, direct or indirect 'expropriation' actions or provide foreign investors with more favourable treatment than that available to domestic investors. Saskatchewan continues to insist that public health, education, and social services be excluded from all trade agreements.

My earlier views on our market access priorities for the Costa Rica and Singapore markets are also relevant with respect to this initiative. I note, in particular, that there appears to be some potential for increased exports of grains, potash, specialty crops and malt into the Central American market.

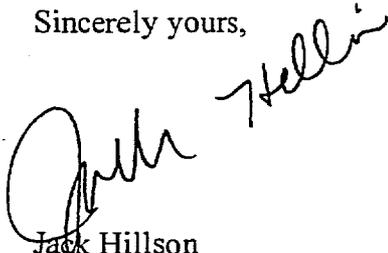
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Acid-free Paper

I appreciate the opportunity to comment on this initiative, and look forward to discussing this and other important trade policy issues facing Canada and Saskatchewan at our meeting in early February.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Jack Hillson". The signature is written in a cursive style with a large initial "J".

Jack Hillson  
Minister  
Intergovernmental and  
Aboriginal Affairs

cc: Lorne Calvert, Premier Designate  
Honourable Janice MacKinnon, Minister, Economic and Co-operative Development  
Honourable Clay Serby, Minister, Agriculture and Food



## Dubien, Deric -EAI

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**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** January 22, 2001 10:09 AM  
**To:** Hey, Sabine -EBC; Dubien, Deric -EAI  
**Subject:** TR: Central America

**Importance:** High

—Message d'origine—

**De:** Kathy Alkema (VANPULP) [mailto:Kathy.Alkema@norske-skog.bc.ca]  
**Date:** 19 janvier, 2001 14:41  
**A:** 'Pierre Pettigrew, Trade Policy Planning Div.'  
**Objet:**  
**Importance:** Haute

Jan. 19/01

Dear Pierre,

Thank you for your letter of January 5th, requesting my opinion on free trade with Central America. Your letter was informative, I did not appreciate the level of trade that currently exists between Canada and Central America. I would think Canadian companies have much to offer this region. I am responsible for pulp and containerboard sales at our company. The latter product could benefit from stronger economies in Central America. They are relatively freight logical customers. So, personally, my opinion would be that a well thought out free trade agreement would be of mutual benefit.

Yours truly,

Jim Miller  
Vice President  
Pulp & Containerboard Marketing  
jim.miller@norske-skog.bc.ca  
Tel: 604-654-4207  
Fax: 604-654-4138

Kathy Alkema  
Tel: 604-654-4327  
Fax: 604-654-4138  
E-mail: kathy.alkema@norske-skog.bc.ca

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Last name: VAZ  
First name: RUBEN  
e-mail address: dafue@tutpia.com  
Company Name: R.E.V. ENTERPRICES  
Province: Alberta

Questions

Please comment on:

1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.

PANAMA IS THE IDEAL COUNTRY THAT CANADA CAN HAVE A TRADE VS THE OTHERS COUNTRY OF CENTRAL AMERICA BECAUSE, PANAMA HAVE THE PANAMA CANAL, THAT THE CANADIANS GOVERNMENT CAN EXPORT HES PRODUCTS, MORE RAPIDLY, AND REMOVE ALL OTHERS BARRIERS TO TRADE.

PANAMA IS THE IDEAL COUNTRY THAT CANADA CAN HAVE A TRADE VS THE OTHERS COUNTRY OF CENTRAL AMERICA BECAUSE, PANAMA HAVE THE PANAMA CANAL, THAT THE CANADIANS GOVERNMENT CAN EXPORT HES PRODUCTS, MORE RAPIDLY, AND REMOVE ALL OTHERS BARRIERS TO TRADE.

2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.

PANAMA CAN BE.  
PANAMA CAN BE.

3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.

THA FREE ZONE OF PANAMA.  
THA FREE ZONE OF PANAMA.

4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).

IT IS NOT LIMITED. IS OPENING FOR ALL THE INVESTORS.  
IT IS NOT LIMITED. IS OPENING FOR ALL THE INVESTORS.

5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).

HAS NOT INVESTORS BARRIERS.  
HAS NOT INVESTORS BARRIERS.

6) Any other issue of interest to your firm.

I WOULD LIKE THE YOU TAKE CARE ABOVE THIS MESSAGE, ANY QUESTION YOU CAN FELL FREE TO CONTACT US.  
I WOULD LIKE THE YOU TAKE CARE ABOVE THIS MESSAGE, ANY QUESTION YOU CAN FELL FREE TO CONTACT US.

Names and email address(es) for other people you think would like to provide their views and comments on this free trade agreement initiative:  
(Separate multiple values with a semi-colon ";")

Would you like to be kept informed of the results of this consultation by email?

- Yes
- No



## Dubien, Deric -EAI

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**From:** Pierre Felix Brisson [brisson@aquasolution.com]  
**Sent:** January 17, 2001 4:02 PM  
**To:** deric.dubien@dfait-maeci.gc.ca  
**Subject:** Consultation Amérique Centrale

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Nous sommes actuellement en démarches intensives pour exporter nos produits et services en Amérique Centrale. Nous avons d'ailleurs utilisés les services des délégués commerciaux dans ces pays avec satisfaction.

Nous fabriquons des systèmes de traitement de l'eau potable pour les petites municipalités et les villages. Les études de marché que nous avons faites sont éloquentes. Nous avons la possibilité de nous implanter solidement sur ce marché. L'abolition des tarifs douaniers entre le Canada et ces pays ne peut que nous être favorable. Une meilleure circulation des biens augmente la possibilité de partenariat. Nos principaux compétiteurs sont U.S. ils ont un volume de ventes supérieur au nôtre et la distance vers le marché est bien moins grande, cependant notre qualité est supérieure. Ces petits pays sont peuplés et offriront des possibilités importantes pour nos produits. La grande industrie favorise sans doute le Mexique alors que pour nous ce sont les petits pays.

Question: Au lieu d'envoyer 1 million d'aide au Salvador qui servira sans doute à acheter localement des produits et services Américains. Pourquoi ne pas expédier du matériel d'urgence Made in Canada ?

Salutations Distinguées.

Pierre F. Brisson  
Président  
Raffineurs D'eau Joliette Ltée.  
414 Dollard  
Joliette Q.C. J6E 4M4

tel: 450-755-1255  
fax: 450-759-3212



**REGOR INC.**

6070, Sherbrooke est, suite 204  
Montréal, Québec, Canada H1N 1C1  
Tél: (514) 251-1744  
Fax: (514) 251-8226  
C-élec. / E-mail: regor@microtec.net



Le 26 janvier 2001

Via télécopieur: (613) 944-0757

Direction de la planification de la politique  
commerciale (EAI) / Amérique centrale  
Ministère des Affaires étrangères et du Commerce International  
125, Promenade Sussex  
Ottawa, (Ontario)  
K1A 0G2

**Objet: Libre-échange avec l'Amérique centrale**

Madame,  
Monsieur,

Dans un premier temps, nous désirons vous souligner que nous apprécions vos efforts afin de connaître notre opinion ainsi que notre expérience en matière de relations commerciales internationales.

Cependant, nous ne pouvons vous donner nos commentaires sur cette région en particulier, car nos activités se concentrent principalement dans les Caraïbes.

Espérant le tout conforme, veuillez, madame, monsieur, accepter nos salutations distinguées.

YVES CABANA, contrôleur



RESDEV (RESOURCES & DEVELOPMENT) LTEE/LTD  
1900 MARIE VICTORIN  
ST-BRUNO, QUEBEC, CANADA - J3V 6B9  
TEL: (450) - 653 - 6139 FAX: (450) 653 - 1133

*E-MAIL: [resdev@generation.net](mailto:resdev@generation.net)*  
[Http://sites@netscape.net/pferron/homepage.](http://sites@netscape.net/pferron/homepage)

January 15, 2001

Direction de la planification de la politique commercial (EAI)  
Amerique Centrale  
Ministere des Affaires etrangeres et du Commerce International  
125, promenades Sussex  
Ottawa (Ontario) K1A 0G2

Subject: Free trade with Central America

We thank you for your consideration and the opportunity to participate in this consultation process.

We believe that the process you are talking about and the evaluation are important for Canada and Canadian Business at large without regards for the size of the country (ies) and the immediate actual business being done. Considering their unstable political past, their economical situation could be more than what it is at this time.

I am not familiar with all of the markets, however, we know some about industrial, mining, material handling and process equipment and consultant services, although, there is not much of a market at this time we know there will be in the future. Central America has an opportunity to organise selectively which area of the basic economy they need to consolidate and prioritize, if it can maintain political stability long enough for the economy program(s) to quick in.

Our field of activities require that the countries we sell to do not use abusive import tariffs to solely subsidise their infrastructures and social programs. It is also imperative that investments be done with the guarantees that after tax profits and benefits be able to leave the counties freely without restrictions. The tax, duty, and any other direct or indirect levee be simple and straight forward without hidden cost or penalties to the investors.

It is a great feeling when we make deals with new customers /country. The feeling is even greater when the country and the size of the deal is enormous. It is also true that when competitors want what you have they will go to great length to take it away from you and if you lose, it is a huge loss.

# RESDEV (RESOURCES & DEVELOPMENT) LTÉE / LTD

continued

When your customer base is diversified among the smallest to the biggest one with the majority being in the small to medium size competition will never be a serious threat to your overall international marketing and economical program.

The future potential Central America has to offer should be the prime criterion. Canada's strategy should be positive and promote the integration of these small but potentially rewarding new partners. They will feel more at ease dealing with a country of Canada's size then a giant such as the USA and in the long run Canada and its business community will reap its reward.

We support the realisation of a comprehensive free trade agreement with the countries of Central America..

Regards,

P. A. Ferron  
President



# CHISHOLM

INTERNATIONAL FOOD MERCHANTS SINCE 1938

RONALD A. CHISHOLM LIMITED

2 Bloor Street West, Suite 3300, Toronto, Ontario, M4W 3K3, Canada  
Tel • (416) 967-6000 Fax • (416) 967-9457

January 29, 2001

**VIA FAX: 613-944-0757**

Derk Dubien  
Trade Policy Officer  
Trade Policy Planning Division (EAD)  
Department of Foreign Affairs and International Trade  
Lester B. Pearson Building  
125 Promenade Sussex Drive  
Ottawa, Ontario  
K1A 0G2

Dear Mr. Dubien:

I am writing in response to a request from Mr. Pettigrew dated January 5, 2001, seeking comments regarding a potential free trade agreement between Canada and Central America.

As Canada's largest exporter of meat and dairy product, with strong long term relationships in these Central American markets, Ronald A. Chisholm Limited is in favour of this initiative.

We have been exporting Canadian pork, poultry, and dairy product, to these markets for the last several years.

Current import duty rates applied to meat and dairy imports are between 15% and 50% in the case of Costa Rica. In addition import permits are required as a value to control imports.

These permits have at times restricted the flow of trade.

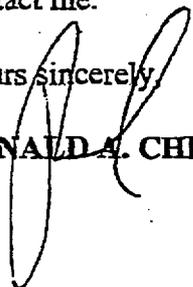
On the positive side, animal protein production in all Central American markets is in steady decline due to economic/climate conditions. High value cash crops, such as coffee, are replacing lower cattle, pork and poultry production. In addition, poor weather conditions such as hurricanes and drought have forced many farmers out of business. The end result is that, according to Central American food processors, Central American markets are not self sufficient in animal protein.

Any free trade initiative should address accelerated tariff elimination as well as the elimination of import permits.

Our ability to negotiate this agreement before the Americans will certainly guarantee Canadian producers of animal protein better market share in this increasingly valuable market.

I wish you all the best in your endeavours and if you have any questions please feel free to contact me.

Yours sincerely,

  
**RONALD A. CHISHOLM LIMITED**

Nicholas M. Walker  
Director  
Marketing & Development  
Latin America

NMW/cj



## Dubien, Deric -EAI

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**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** February 5, 2001 1:53 PM  
**To:** Hey, Sabine -EBC; Dubien, Deric -EAI  
**Subject:** TR: Free Trade Agreement between Canada and Central America

—Message d'origine—

**De:** deaston@saskenergy.sk.ca [mailto:deaston@saskenergy.sk.ca]  
**Date:** 2 février, 2001 16:11  
**A:** consultations@dfait-maeci.gc.ca  
**Cc:** arhodes@saskenergy.sk.ca  
**Objet:** Free Trade Agreement between Canada and Central America

To Whom it May Concer:

Thank-you for Minister Pettigrew's letter of January 5, 2001 regarding the above referenced agreement with Central America. My comments are directed towards the investment side of the agreement.

The company I represent is called SaskEnergy International. We are a natural gas distribution, transmission and storage company based in Saskatchewan. We have a wholly owned subsidiary company called SaskEnergy International which is involved in the natural gas business in Latin America.. We currently own a minority position of a naural gas distribution company in Chile, and are contemplating additional investments in both Chile and Mexico.

Todate, we are not looking at any potential investments in Central America, but we are investigating opportunities in the Caribbean. We encourage the Department of Foreign Affairs and Intemational Trade Canada to persue the above referenced agreement with Central America and to later expand that agreement to cover the Carribbean as well.

More specifically as a Canadian investor whether we are investing in Chile or in Mexico, we are looking for certain conditions. Any agreement being persued by Intemational Trade Canada should contain the following provisions:

1. No exchange controls or restrictions on the repatriation of capital
2. Freedom to remit profits or royalties
3. Guaranteeing non-discriminatory treatment
4. Mature and predictable legal system
5. A clear and transparent regualtory regime

Thank-you for an oppportunity to provide input into your negotiations. Good Luck.

Regards  
David Easton  
Vice-President SaskEnergy International

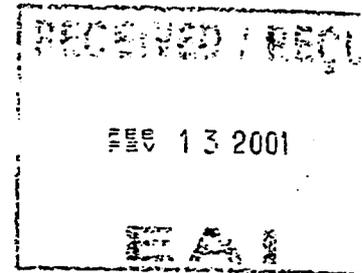


Richard E. Waugh  
Vice-Chairman

The Bank of Nova Scotia  
Executive Offices, Scotia Plaza  
44 King Street West  
Toronto, Ontario  
Canada M5H 1H1



February 12, 2001



*Mr. Deric Dubien  
Trade Policy Planning Division (EAI)  
Department of Foreign Affairs and International Trade  
Lester B. Pearson Building  
125 promenade Sussex Drive  
Ottawa, Ontario  
K1A 0G2*

*Dear Mr. Dubien:*

***Re: Canada-Central America Four Free Trade Agreement Negotiations***

*I am pleased to respond on behalf of Scotiabank to the Department's request for comment on the possible scope of a free trade agreement between Canada and the four Central American nations of El Salvador, Guatemala, Honduras and Nicaragua.*

*We believe a free trade agreement between Canada and the Central American four would be potentially beneficial to the participating countries, as well as to individual firms like Scotiabank which are already doing business in the region. As you may be aware, Scotiabank is Canada's most international bank, with operations in more than 50 countries—including El Salvador, where our local subsidiary, Ahorromet Scotiabank S.A., operates 33 locations offering retail, commercial and trade finance, investment banking and wire transfer services. (Scotiabank is not currently active in the three other Central American countries that will be participating in the negotiations.)*

*While we suspect that the local financial services regulator has on occasion been more lenient in its treatment of our Salvadoran-owned competitors, our experience in El Salvador has generally been favourable. The country offers an open investment regime and its new (1999) Banking Law, on paper at least, affords national treatment to foreign banks, placing subsidiaries or branches on a level playing field with Salvadoran banks, while permitting them to offer a full range of financial services. Restrictions on foreign investments in local banks*

have also been lifted, and El Salvador's new Investment Law permits unrestricted repatriation of net profits by foreign firms. The country has also recently strengthened its financial supervisory authorities and established an autonomous deposit insurance institution. Overall, the country has shown a strong commitment to markets, financial modernization and openness to foreign investment.

In contrast, the other partners in the planned negotiations vary widely in their state of economic and political development, openness to foreign investment and commitment to opening up financial markets. Guatemala, for example, has a generally open economy but underdeveloped human physical infrastructure and persistent liquidity problems in its banking sector. Honduras is one of the poorest countries in the hemisphere and still requires special government authorization for all foreign investment in its financial services sector. Nicaragua, while having made significant progress moving from a centralized to a market-oriented economy, continues to rely heavily on international aid and lags behind somewhat in terms of its political and institutional development.

In addition, the scope of the commitments made by each of the participating Central American countries regarding market access and national treatment provided to foreign financial service providers under the WTO General Agreement on Trade in Services (GATS) varies significantly, particularly in such areas as insurance, pensions, securities, mutual funds and asset management. Moreover, several of the participants have no existing regulatory framework in these areas. El Salvador, for example, currently has no laws governing mutual funds or investment funds, and the Salvadoran government does not currently allow banks to sell these products.

We note that these significant economic, political, regulatory and trade policy differences persist despite three of the participating countries—El Salvador, Guatemala and Honduras—having entered into a free trade agreement in 1992, an arrangement which we understand was also intended to achieve harmonization of financial sector legislation within the area. As such, it is not immediately clear whether or not a Canada-Central America FTA will accelerate a desirable convergence of foreign investment and financial sector regulatory standards across the area, or indeed whether it will lead to more rapid progress than can be anticipated under the current round of GATS negotiations.

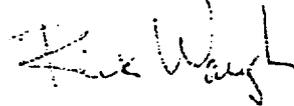
If by initiating free trade negotiations, however, progress toward a more open and harmonized investment and financial regulatory regime can in fact be accelerated, we believe that a Canada-Central American FTA would provide a potentially attractive springboard for Scotiabank's expansion within this still-underbanked area—and enable us to play a more active role in supporting the expanded requirements of Canadian investment and trade. An FTA that successfully expedites financial regulatory modernization may also allow us to

*offer a broader and more sophisticated range of financial products and services to Central American consumers.*

*With these outcomes in mind, we encourage the Canadian government to make further liberalization in the financial services sector and foreign investment regime key priorities in the pending negotiations.*

*If I can be of further assistance, feel free to contact me anytime.*

*Sincerely,*



*R.E. Waugh*

*cc: Hon. Pierre S. Pettigrew  
Minister of Foreign Affairs and International Trade*





Willie Grieve  
Vice-President  
Government & Regulatory Affairs

TELUS Corporation  
Floor 31  
10020-100 Street NW  
Edmonton, Alberta  
Canada T5J 0N5

780 493 6590 Telephone  
780 493 6519 Facsimile  
willie.grieve@telus.com

February 5, 2001

Trade Policy Planning Division (EAI) / Central America  
Department of Foreign Affairs and International Trade  
125 Sussex Drive  
Ottawa, Ontario  
K1A 0G2

I am pleased to provide you with our views on the possibility of pursuing a free trade agreement (FTA) between Canada and Central America as follows.

TELUS applauds the continued efforts of the Government of Canada to liberalize the terms of access for Canadian goods and services abroad. TELUS recognizes the significant potential for Canadian companies in a number of export sectors, including telecommunications in Central America. However, it is also important to deploy Canada's limited trade negotiating resources carefully. The Government of Canada should therefore focus on strengthening the multilateral system through the World Trade Organization and on enhancing Canada's relationship with principal trading partners through the North America Free Trade Agreement, the Free Trade Area of the Americas, and Asia-Pacific Economic Cooperation.

From a telecommunications perspective, TELUS has not encountered directly, or indirectly through our international alliances, any market access barriers or regulatory impediments in Central America, nor are we aware of any commercial issues with incumbent carriers over settlement rates, interconnection or termination charges in any of the Central American countries.

While TELUS has not encountered market access barriers or regulatory impediments in Central America, there are two telecommunications policy issues that we would like to raise at this time.

1. *Foreign Ownership Restrictions:* At least two of the Central American countries in question (El Salvador and Guatemala) have, as far as we are able to discern, no foreign ownership limits. TELUS urges the Government of Canada to remove all Canadian foreign ownership restrictions even in the absence of concessions in a trade negotiation. This would enhance competition and investment in Canada's communications industries, and help position Canada as a business hub not only throughout the Americas but also in Asia and Europe.

2. *Scope Liberalization in Communications:* In today's converging communications environment, Canada's efforts to liberalize the terms of access in the communications industry in Central America should be as broad and clear as possible. TELUS notes that under the NAFTA (Article 1301.2) and the GATS (Annex on Telecommunications, Article 2(b)), there is a general exemption for measures relating to "broadcast or cable distribution of radio or television programming". There is considerable uncertainty in some jurisdictions as to whether new media, webcasting and on-demand services constitute "programming" services and whether high-speed Internet access services offered by cable companies should be subject to the same non-discrimination requirements as telephone company services. TELUS believes that this exemption applies only to traditional broadcasting services, not to new media, webcasting or on-demand services, nor to high-speed Internet access to cable networks. The Government should use each upcoming trade negotiation to clarify this point. If there is an FTA with Central America, it should explicitly cover telecommunications, new media, data and high speed Internet services that are provided over telecommunications facilities, including the facilities of cable systems and other broadcasting distribution undertakings.

TELUS appreciates this opportunity to make our views known to the Government of Canada on a possible FTA with Central America.

If you have any questions or require additional information, please do not hesitate to contact me at (780)493-6590 or John Makaryshyn at (780) 493-7336.

Sincerely,



Willie Grieve  
Vice-President,  
Government & Regulatory Affairs

cc: Jim Peters



Feuillets de transmission par télécopieur Post-It™ Fax Note		Date	# of pages Nbre de pages
To / A <i>D. Dutton</i>		76719	2
From / De <i>P. Halley</i>			
Co./Dept. / Cie/Service		Co. / Cie	
Phone # / N° de tél.		Phone # / N° de tél.	
Fax # / N° de télécopieur		Fax # / N° de télécopieur	

Last name: Blackstock  
 First name: Del  
 e-mail address: Del\_Blackstock@telus.net  
 Company Name:  
 Province: British Columbia

Questions

Please comment on:

1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.

Prebuilt manufactured homes  
Prebuilt manufactured homes

2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.

These country's could affect our BC/Canada Pulp and Lumber Industry due to the rapid crop replacement and low labour rates.

The impacts on our Agriculture crops could certainly hurt the West.

These country's could affect our BC/Canada Pulp and Lumber Industry due to the rapid crop replacement and low labour rates. The impacts on our Agriculture crops could certainly hurt the West.

3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.

4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).

A definition of what is "Free Trade", Not the US version.  
A definition of what is "Free Trade", Not the US version.

5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).

Don't make it too easy for transfer of Funds to these Country's to develop Industry's that will be in competition with those that exist in Canada

Don't make it too easy for transfer of Funds to these Country's to develop Industry's that will be in competition with those that exist in Canada

6) Any other issue of interest to your firm.

The impact of "Free Trade" NAFTA - American [Bill Clintons] definition has certainly been very bad for Western Canada - the supposed benefits just haven't happened - It did for the Province of Ontario, which appears to be the only concern of the Federal Govt. - In BC the impacts of the trade agreement has not been of any help - our lumber market in the US is non-existent unless we want to send our trees/logs so that they can manufacture them into lumber; our natural gas price is driven up by the US to the point where people can't afford to use it any longer to keep warm - unless they don't want to eat; our fresh water is at risk [in the Courts now] as was our sovereignty over the inland waterways; There has not been any support for BC since the Japan market hit us like a plague. Our Okanagan Orchards are becoming non-existent, thanks to NAFTA, is the next give away for the benefit of "the Ontario/Canada" - the Okanagan wine industry? The first call that the US has on our oil to replenish their reserves before Canadians needs is sickening, will our Hydro Power be next?

My concern is that this New "Free Trade" initiative will drive us out of Canada - it is very close to doing that now. Possibly the people in the West have to see what the benefits have been. Don't forget the concerns originally surrounding NAFTA that our Health Care system would be brought down to the same level as the US --

The impact of "Free Trade" NAFTA - American [Bill Clintons] definition has certainly been very bad for Western Canada - the supposed benefits just haven't happened - It did for the Province of Ontario, which appears to be the only concern of





LES PRODUITS CHIMIQUES TEXTILE (CANADA) LTÉE  
TEXTILE RUBBER & CHEMICAL CO. (CANADA) LTD.

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**A/TO:** Pierre S. Pettigrew **DE/FROM:** Sam Elaraby

**CIE./CO.:** Trade Policy Planning Division (EAI) / Central America

**FAX #:** (613)-944-0757 **DATE:** January 18, 2001

**TEL #:**

**Nombre de pages y compris celle-ci/Pages including cover page:** 1

\*\*\*\*\*

**Subject:** Your letter to me date stamped Jan 09 2001  
FTA Canada & Central America

**Dear Sir:**

**In response to your letter, it is generally felt that we support such a free trade agreement.**

**A concern may be the import of electronic components and how that would impact Canadian businesses. Also, in 1999 there was a net trade imbalance – so we would expect that situation to swing more favorably towards Canadian interests in the future.**

**Sincerely,**

**(V.P. & General Manager)**



Last name: Marouhos  
 First name: Samuel  
 e-mail address: s.marouhos@smadesigngroup.com  
 Company Name: The S/M/A Design Group International Inc.  
 Province: Ontario

### Questions

Please comment on:

**1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.**

Construction goods and materials and furnishings and their related items. All countries economies having to be supported in great deal by their tourism dollars are going to, as already have started, invest much in developing resorts (that is Architects services and construction of new units) and entertainment centers to attract more tourist groups possible.

Construction goods and materials and furnishings and their related items. All countries economies having to be supported in great deal by their tourism dollars are going to, as already have started, invest much in developing resorts (that is Architects services and construction of new units) and entertainment centers to attract more tourist groups possible.

**2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.**

Not familiar with this area.

Not familiar with this area.

**3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.**

An effort should be made for an agreement so all shipped goods to these countries clear customs in Canada prior to shipment to avoid "intentional delays" at the port of entry as it currently happening resulting to "higher and unforeseen charges" by the local custom agents. These delays cost money and some times cause late penalties charges to Canadian suppliers.

An effort should be made for an agreement so all shipped goods to these countries clear customs in Canada prior to shipment to avoid "intentional delays" at the port of entry as it currently happening resulting to "higher and unforeseen charges" by the local custom agents. These delays cost money and some times cause late penalties charges to Canadian suppliers.

**4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).**

I would say that my comments in paragraph #3 apply for this question as well.

I would say that my comments in paragraph #3 apply for this question as well.

**5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).**

No comment

No comment

**6) Any other issue of interest to your firm.**

Getting more feedback, assistance and constructive contacts with Government agencies as well as the private sector related to the development of resort hotels and entertainment centers (we are Architects, Interior Designers and Planners specializing in the Hospitality and Retail sectors).

Getting more feedback, assistance and constructive contacts with Government agencies as well as the private sector related to the development of resort hotels and entertainment centers (we are Architects, Interior Designers and Planners specializing in the Hospitality and Retail sectors).

**Names and email address(es) for other people you think would like to provide their views and comments on this free trade agreement initiative:**

(Separate multiple values with a semi-colon ";")



Last name: Vair  
First name: Derek  
e-mail address: derek@wanware.com  
Company Name: The Software Group Limited  
Province: Ontario

### Questions

Please comment on:

**1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.**

Internet servers and associated software, and data communications subsystems for servers.

Internet servers and associated software, and data communications subsystems for servers.

**2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.**

None.

None.

**3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.**

Don't have export experience to CA-4

Don't have export experience to CA-4

**4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).**

Not applicable.

Not applicable.

**5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).**

Not applicable

Not applicable

**6) Any other issue of interest to your firm.**

**Names and email address(es) for other people you think would like to provide their views and comments on this free trade agreement initiative:**

(Separate multiple values with a semi-colon ";")

**Would you like to be kept informed of the results of this consultation by email?**

Yes

No

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The Canadian Wheat Board  
La Commission canadienne du blé

Greg S. Arason  
President and Chief Executive Officer  
Président-directeur général

February 7, 2001

The Honourable Pierre S. Pettigrew  
Minister for International Trade  
Department of Foreign Affairs and International Trade  
125 Sussex Drive  
Ottawa, Canada  
K1A 0G2

**FORWARDED VIA  
TELECOPIER NO.  
(613) 998-8924**

Dear Mr. Pettigrew:

On behalf of the Canadian Wheat Board (CWB), I wish to thank you for your letter asking for the CWB's input on a potential free trade agreement with the countries of Central America.

The CWB is a farmer-run business that sells Western Canada's wheat and barley internationally. As you are no doubt aware, the CWB is one of Canada's top earners of foreign exchange. Improved market access through free trade agreements helps western Canadian wheat farmers stay competitive in an increasingly challenging global export environment.

CWB sales of wheat to this area are quite important. For the three year period ending with 1998-99, El Salvador purchased an average of 15 000 tonnes of wheat per year. Over the same period, wheat sales to Guatemala grew from 188 000 to 391 000 tonnes. Generally speaking, Latin American imports are forecast to increase as populations grow and stable economic progress leads to increased per capita consumption. The CWB has not marketed significant quantities of barley to any of these four countries recently.

The tariffs that apply to wheat and barley in this region are very small. Only Honduras applies a tariff to barley imports (1 per cent) and only Honduras and Guatemala apply tariffs to wheat imports (1 and 1.2 per cent respectively). In logistical terms, Canada is generally at a disadvantage to the United States to supply Central America with wheat and barley because grains from the Gulf of Mexico are closer to these markets than Canadian grains. With careful logistics planning and quality marketing, Canada has been able to improve its market share in this region. A free trade agreement with Central America, though modest in terms of actual tariffs removed, is nonetheless welcomed by the CWB as a further indication of the spirit of openness in trade already being expressed in current business dealings.

Yours truly,

Greg S. Arason  
President and Chief Executive Officer

DB/ds  
007djs

c: The Honourable Ralph Goodale, Minister responsible for the Canadian Wheat Board  
Trade Policy Planning Division (EAI) / Central America

423 Main Street  
P.O. Box 816, Stn. Main  
Winnipeg, Manitoba  
Canada R3C 2P5

Phone (204) 983-0239  
Fax (204) 983-0341  
Telex 07-57801  
Internet: www.cwb.ca

423, rue Main  
C.P. 816, succ. Main  
Winnipeg (Manitoba)  
Canada R3C 2P5

Tél. : (204) 983-0239  
Télé. : (204) 983-0341  
Télex. : 07-57801  
Internet : www.cwb.ca



# The Canadian Council for the Americas Le Conseil Canadien pour les Amériques

CCA

February 12, 2001

The Hon. Pierre S. Pettigrew  
Minister for International Trade  
Ottawa

Dear Minister Pettigrew,

Thank you for your letter of 15 January 2001. The Canadian Council of the Americas (CCA) appreciates having the opportunity to comment on a possible free trade agreement between Canada and Central America.

In general terms, the CCA supports fully this initiative since it would serve to buttress Canadian economic relations with a region in Latin America that has heretofore not attracted a great deal of attention. It is clear that the four countries mentioned in your letter, El Salvador, Guatemala, Honduras and Nicaragua, are not in the forefront of Canadian business preoccupations, and the potential for increased bilateral trade and investment is modest. However, there could be some strategic advantage to be achieved in negotiating a separate free trade agreement with Central America in advancing the FTAA negotiations, and establishing some benchmarks for incorporation into the larger agreement.

We continue to have deep reservations with any free trade agreement that includes chapters on labour and environmental issues; no doubt these are important considerations and should be addressed in appropriate multilateral fora. However, just as it would be improper and counterproductive to include a free trade chapter in an international environmental agreement to reduce pollution levels, the reverse also applies.

We are also mindful of the limited trade policy resources available to the Canadian Government. As a business organization, we continue to attach highest priority to the FTAA negotiations, the on-going WTO negotiating agenda, and to the resolution of our trade battle with Brazil. The latter issue is the most immediate, and we have in our earlier letters urged you and Cabinet to find a resolution to this problem that would be helpful to the large number of Canadian exporters, importers and investors that have important stakes in the Canada-Brazil relationship. Winning a WTO-sanctioned trade policy war that would indirectly benefit only one Canadian company at the expense of hundreds of other Canadian companies would be a Pyrrhic victory indeed. To put matters in perspective, the current and future Canada-Brazil bilateral economic relationship is several orders of magnitude more significant than the Canada-Central America bilateral relationship is or is ever likely to be.

Yours sincerely,

  
David J.S. Winfield  
Chairman of the Board

360 Bay Street, Suite 300, Toronto, Ontario, Canada M5H 2V8 Tel. (416) 367-4313 Fax (416) 367-5460

Received Time Feb. 12. 5:56PM com www.c Print Time Feb. 12. 5:58PM



**Dubien, Deric -EAI**

---

**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** January 15, 2001 4:41 PM  
**To:** Dubien, Deric -EAI  
**Subject:** TR: Central American Free Trade Issues

Bonjour Deric - J'espère que ce message est pour toi. Si oui, est-ce que tu comptes lui répondre au sujet de sa suggestion de contacter Kim O'Neil à Mexico? - Sinon, il faudrait que je l'envoie à quelqu'un d'autre. Merci de me tenir au courant. lb

-----Message d'origine-----

**De:** Bob Duncan [mailto:bobd@tgfnet.com]  
**Date:** 15 janvier, 2001 13:22  
**A:** Foreign Affairs  
**Objet:** Central American Free Trade Issues

Transcontinental Gourmet Foods Inc  
610 Oster Lane  
Concord, Ontario  
L4K 2C1

January 15, 2001

We are very interested in this initiative. We have just had our products and Trade Marks registered for sale in the named countries by a division of WalMart. We have actually sold some product into this market as a result.

My concerns are as follows:

1. Correct export documentation and forms as needed by these individual countries.

We waited for a year to have product admitted to Mexico as a result of the government agencies involved failure to tell us how to comply and insisting that the forms supplied were correct. The Mexicans said no Canadian Government agencise said yes.

We would never allow product into Canada without the proper Canadian documentation. The Mexicans would not either.

I would suggest that a discussion of this particular problem with Kim O'Neil at the Canadian Embassy in Mexico would be in order. She can be reached at [kim.oneal@dfait-maeci.gc.ca](mailto:kim.oneal@dfait-maeci.gc.ca). Kim tried to help us with this problem and probably would be able to contribute some meaningful information regarding some of these pitfalls.

Sincerely,

Transcontinental Gourmet Foods Inc.

Robert G Duncan  
Vice President/Sales and Marketing





## TransFair Canada

323 Chapel St. 2<sup>nd</sup> floor  
Ottawa, Ontario, Canada K1N 7Z2  
Phone: 613-563-3351 Fax: 613-237-5969  
Toll Free: 1-888-663-FAIR  
[fairtrade@transfair.ca](mailto:fairtrade@transfair.ca) [www.transfair.ca](http://www.transfair.ca)

---

Hon. Minister Pierre S. Pettigrew  
Trade Policy Planning Division (EAI) / Central America  
Department of Foreign Affairs and International Trade  
125 Sussex Drive  
Ottawa, Ontario  
K1A 0G2

Thursday, February 1, 2001

Dear Minister Pettigrew,

Thank you for providing TransFair Canada with an opportunity to convey its views on the proposed free trade agreement between Canada and Central America. We view the upcoming negotiation process as an opportunity for the Government of Canada to manifest its concern for the plight of small agricultural producers and workers in Central America.

TransFair Canada believes the free trade agreement with Central America should take into account the interests small producers, who produce most of Central America's coffee. The agreement must incorporate measures to support vulnerable groups such as small agricultural producers who most often suffer from trade liberalisation at the expense of large commercial interests. The agreement should not jeopardise innovative measures such as Fair Trade, that aim to secure a better deal for small producers. It should seek to strengthen Central American government support for small farmers and other vulnerable groups, rather than undermine it.

TransFair Canada seeks to alleviate poverty in developing countries by expanding Canadian markets for Fair Trade products. Fair Trade seeks to redress some of the negative impacts of free trade suffered by small producers of primary commodities in the South by ensuring that producers receive a fair price for their crops, by promoting their direct access to international markets, and by improving their access to pre-financing.

The example of coffee, the most widely fairly traded commodity, can help to illustrate the predicament of small agricultural producers faced with declining terms of trade. The world market price for coffee has fluctuated wildly and has often fallen below costs of production, as is the case now. In January 2001, international coffee prices are at an all time low, wreaking havoc in the coffee growing industry as a whole, and threatening the livelihoods of small farmers.

The coffee trade also highlights the importance of developing and supporting alternative ways of trading with Central American nations. A majority of the world's coffee is produced by small

farmers. In the conventional coffee market, small farmers are forced to sell their coffee at a loss because they operate in an oligopoly, lack information on the market, are indebted to middlemen and have immediate cash needs. Small coffee farmers thus receive a minimal portion of the final retail price of their product. Small producers suffer from fluctuations in international markets on which they have little or no influence.

TransFair Canada feels strongly that the Government of Canada should be examining ways in which international trade can benefit all partners involved. Fair Trade is an alternative mechanism to engage the private sector in a renewal of its relationships with Southern producers. Canadian consumers have shown strong support for Fair Trade, as the increase in Fair Trade coffee sales from 47 000 pounds in 1998 to an estimated 250 000 pounds for 2000 illustrates. 65 Canadian companies are currently licensed to deal in Certified Fair Trade coffee in Canada so far, with a rapid growth in interest from all sizes of companies.

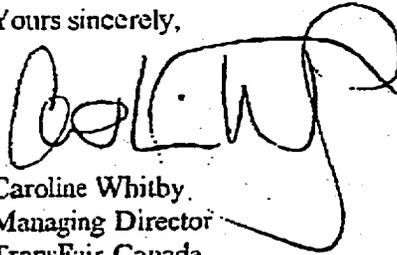
Fair Trade is acknowledged by many European governments as an important way of educating consumers, promoting international trade reforms and contributing to social and economic development in local producer communities. The UK Department for International Development provides financial support to public awareness raising campaigns on Fair Trade. The Hon Clare Short, UK Secretary of State for International Development has publicly acknowledged Fair Trade as a valuable mechanism for alleviating poverty in developing countries. The Belgian Ministry of International Trade has recently announced that it will put in place a guarantee fund to facilitate advance payment to producers by companies engaged in Fair Trade. Numerous European countries' legislatures and ministries serve Fair Trade beverages in their cafeterias and offices.

The Government of Canada has many opportunities to support alternatives such as Fair Trade by taking concrete actions. Programmes to support the development and growth of co-operatives in Central America and other regions; funding to promote Fair Trade in Canada and to expand markets for fairly traded goods; Government procurement policies encouraging Fair Trade products are some of the measures which will contribute to fairer trade relations between Canada and Central America

We would welcome opportunities to explore some of these possibilities either with you or your cabinet colleagues responsible for International Cooperation and Foreign Affairs.

We shall follow the negotiations with great interest.

Yours sincerely,



Caroline Whitby  
Managing Director  
TransFair Canada

cc. The Hon. John Manley, Minister for Foreign Affairs.  
The Honourable Maria Minna, Minister for International Cooperation.



**Dubien, Deric -EAI**

---

**From:** Bastien, Louise -EBC on behalf of EXTOTT (CONSULT)  
**Sent:** January 22, 2001 10:07 AM  
**To:** Hey, Sabine -EBC; Dubien, Deric -EAI  
**Subject:** TR: Free trade agreement with Central America

-----Message d'origine-----

**De:** Edmundo Diaz [mailto:edmundo.diaz@vibac.com]  
**Date:** 22 janvier, 2001 09:29  
**A:** 'consultations@dfait-maeci.gc.ca'  
**Cc:** Max Coloma  
**Objet:** Free trade agreement with Central America

Dear Mr. Pettigrew,

Further to your letter sent on January 5, 2001 regarding a possible free trade agreement between Canada and Central America, we would like to advise you that we encourage the government to pursue with this initiative. Canada Vibac Inc is very active in this region and in most of Latin America where various free trade agreements are being negotiated with Europe and among themselves. It is imperative that we proact in this regards and consolidate our future commercial development throughout the Americas.

Hoping the above to your satisfaction and thanking you for your consideration, we remain,  
Sincerely,

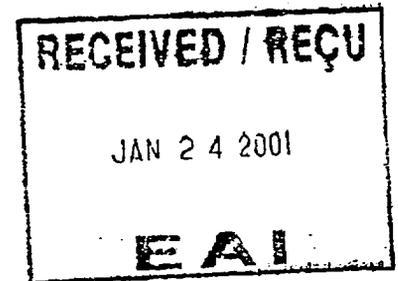
Edmundo Diaz  
Director of Sales & Marketing  
Vibac Canada Inc.  
Tel (514) 640-0250 ext. 307





A Better Environment For Business

January 19, 2001



Mr. Pierre S. Pettigrew  
Trade Policy Planning Division (EAI)  
Central America  
Department of Foreign Affairs and Internal Trade  
125 Sussex Drive  
Ottawa, Ontario  
K1A 0G2

Dear Mr. Pettigrew:

Thank you for your letter of January 5, 2001 in which you asked our opinions on the possibility of a Canada-Central America Free Trade Agreement.

WESA Ltd. has been active in Guatamala, El Salvador and Honduras for the last six years. We work in the environment services and equipment business ([www.wesa.ca](http://www.wesa.ca)) and our clients include the sugar industry in Guatamala, The Water Department (Canada) in El Salvador and the World Bank.

Our firm has subsidiary companies in operations in Guatamala and El Salvador. We are strongly in favour of your Free Trade initiative. Due to our familiarity with the environmental conditions in Central America we would be pleased to provide direction to these aspects of the agreement.

Yours sincerely,

Derek P. Smith M. Sc., F.G.A.C.  
President

E mail: [dsmith@wesa.ca](mailto:dsmith@wesa.ca)

Ref: 4000Jan19-01 doc/ds#69

Water and Earth Science Associates Ltd.  
3108 Carp Road, P.O. Box 430, Carp (Ottawa), ON Canada K0A 1L0  
Tel: (613) 839-3053 Fax: (613) 839-5376  
E-mail: [wesacarp@wesa.ca](mailto:wesacarp@wesa.ca) Web Site: [www.wesa.ca](http://www.wesa.ca)



Last name: Arciaga  
 First name: Robert  
 e-mail address: rarciaga@wceng.com  
 Company Name: West Coast Engineering  
 Province: British Columbia

### Questions

Please comment on:

1) Areas of export interest, including products for which the CA-4 countries should eliminate tariffs more rapidly and/or remove other barriers to trade.

Our export interest is for steel poles for various uses—electrical transmission and distribution, highway and municipal street lighting, highway and municipal street signage, and high mast for telecommunications.

Our export interest is for steel poles for various uses—electrical transmission and distribution, highway and municipal street lighting, highway and municipal street signage, and high mast for telecommunications.

2) Areas where there may be concerns if access to the Canadian market was to be improved for products from CA-4 countries.

We don't think the CA-4 countries manufacture steel poles of the standard level that can compete in Canada.

We don't think the CA-4 countries manufacture steel poles of the standard level that can compete in Canada.

3) Suggestions on trade facilitation issues e.g. impediments related to customs or other import-related procedures.

None

None

4) The possible inclusion of services within the scope of negotiations and services sectors in CA-4 markets that could be a target for further liberalization (eg. market access issues such as limitations on the number of firms or individuals allowed in a foreign market to provide a service).

5) The possible inclusion of investment within the scope of negotiations, problems faced by Canadian investors in CA-4 countries and the type of rules that would provide Canadian investors with better access, treatment and protection for their investments (Describe any investment barriers or impediments, such as limits on foreign investment, local content requirements, restrictions on capital transfers, etc., that you may have encountered because you are a foreign investor).

Our problem in selling to the CA-4s is shipping or cost of freight.

This can be overcome by a no-duty privilege if the Canadian negotiations are successful.

Our problem in selling to the CA-4s is shipping or cost of freight. This can be overcome by a no-duty privilege if the Canadian negotiations are successful.

6) Any other issue of interest to your firm.

Names and email address(es) for other people you think would like to provide their views and comments on this free trade agreement initiative:

(Separate multiple values with a semi-colon ";")

Would you like to be kept informed of the results of this consultation by email?

Yes

No



# Western Canadian Wheat Growers Association

1836 Victoria Avenue East  
Regina, Saskatchewan S4N 7K3  
(306) 586-5886 Fax: (306) 586-2707  
E-mail: wcwga@sk.sympatico.ca

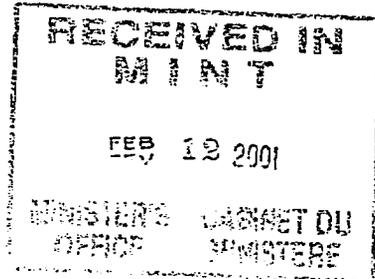
700 - 177 Lombard Avenue  
Winnipeg, Manitoba R3B 0W5  
(204) 942-1680 Fax: (204) 942-0662

11907 - 41A Avenue  
Edmonton, Alberta T6J 0V8  
(403) 435-4652 Fax: (403) 435-4652

February 8, 2001

T-00802-01

Honourable Pierre Pettigrew  
Minister for International Trade  
Trade Policy Planning Division (EAI)/Central America  
Department of Foreign Affairs and International Trade  
125 Sussex Drive  
Ottawa, ON  
K1A 0G2



Dear Minister:

I appreciate your consultative approach to trade policy development and strongly believe that policy cannot and should not be made in isolation from those who may be most affected by it. The Western Canadian Wheat Growers Association has been actively involved in trade policy as part of our mandate representing the interests of farmers who depend heavily on export markets and on fair trade rules. We are strong advocates of free trade and encourage your department to pursue a free trade arrangement with Central America. As your letter points out, there is significant potential to expand two-way trade with the region to the benefit of all parties and we have no specific issues of concern for our industry.

As strong supporter of the World Trade Organization (WTO) and negotiations to reduce and eliminate trade barriers, the Wheat Growers only apprehension with bilateral trade agreements is their potential to undermine or interfere with the multilateral negotiations. I have no doubt that your department is mindful of our concern, however, I wanted to stress that for the agriculture sector, progress in the WTO negotiations is a priority.

I would like to point out that the Wheat Growers are founding members of the Grain Growers of Canada (GGC). The GGC is an association of farm groups from across Canada formed last fall that will soon be based in Ottawa. It will provide a strong, united voice for Canadian grain growers with common concerns. International trade policy is one of the key policy areas for the GGC and I encourage you to seek out its input, as well as ours, in your consulting process.

Thank you for you invitation to provide input into trade policy development and I look forward to our continuing association.

Sincerely,

Ted Menzies,  
President

See us on the Internet: [www.wcwga.ca](http://www.wcwga.ca)

Received Time

Feb. 12. 11:37AM

Print Time

Feb. 12. 11:38AM





February 1, 2001

Honorable Pierre Pettigrew  
Minister for International Trade  
125 Sussex Drive  
Ottawa, Ontario K1A 0G2

Dear Minister Pettigrew:

Thank you for your letter of January 15, 2001, and the opportunity to comment on the proposed free trade agreement between Canada and four Central American countries. Wheaton River does not currently have any operations or investments in the region, except in Costa Rica. As you know, we are the largest Canadian investor in Costa Rica. Our wholly-owned subsidiary has spent in excess of \$35 million developing the Bellavista gold mine.

Perhaps I can explain some of the challenges we have faced in Costa Rica and what consideration could be given to incorporating some possible remedies in the proposed agreement.

In the interest of fair treatment and transparency for foreign investors I think it is imperative that clear guidelines and predetermined timeframes exist for obtaining official government approvals. Too often, these necessary government documents are held up through arbitrary delays and lack of accountability on the part of bureaucrats. Investors and interveners alike should have to adhere to the same clear guidelines. There must be a strong dispute mechanism, which should have real teeth, be maintained at as high a level as possible, and be able to award compensation for losses under certain instances.

One other issue that is extremely costly for us and is a little touchy sometimes is the lack of recognition of international consulting firms. Translation into Spanish is not the issue but rather the lack of qualified professionals within each country for specific sciences. In Costa Rica, for example, Wheaton River has been asked on numerous occasions to have studies signed off by a Costa Rican engineer when, quite frankly, there does not exist a qualified individual. Internationally recognized professionals should be designated and approved for in-country construction.

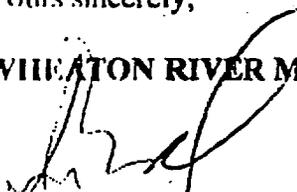
.../2

However, the greatest impediment to investment, which I believe is peculiar to Costa Rica, is the law that allows any government official who signs permits, resolutions, etc. to be personally liable for his actions. This means that a government administrator's capacity is severely biased in favour of doing nothing! I hope this situation does not exist in the four countries you are currently negotiating with. For that matter, it will be a source of great frustration for our company as long as it exists in Costa Rica.

Thank you for the opportunity to comment on the free trade initiative.

Yours sincerely,

**WHEATON RIVER MINERALS LTD.**



Ian J. McDonald  
Chairman and Chief Executive Officer



**Dubien, Deric -EAI**

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**From:** Stephane Cote [stephanec@WULFTEC.com]  
**Sent:** January 15, 2001 5:06 PM  
**To:** EXTOTT (CONSULT)  
**Subject:** Wulftec International vis a vis Planification de politique commerciale pour l'amerique centrale

Good afternoon Mr Pettigrew,

It is with great interest that i have read the letter send Jan. 5th 2001, Wulftec International export a great deal of equipment in different part of the world and we also have an office in Mexico City which takes care of the Mexican, Central and South American market. We feel it would be beneficial to us having free-exchange, even more in Brazil if this would be a possibility since we are doing a lot of business in Brazil. The other country are buying our equipment but Brazil is where we export the most.

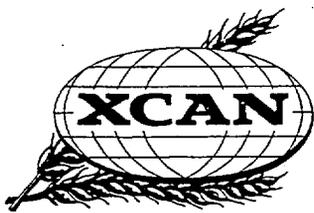
Wulftec manufacture stretch wrapping equipment and we export in South, Central America for approx. \$1 million US dollars a year.

I hope this information can be beneficial to you and if you need my help please do not hesitate to let me know,

Best regards

Stephane Cote  
Sales Manager  
Wulftec International Inc



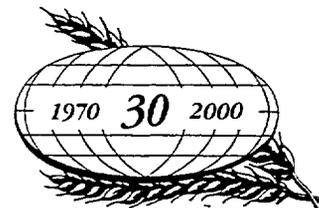


◆ The Canadian Trading Company

# XCAN GRAIN

1200 - 201 PORTAGE AVENUE  
WINNIPEG, MANITOBA, CANADA  
R3B 3K6

TELEPHONE (204) 954-1500 TELEX 07-57857 FAX (204) 949-1057



T-00809-01

February 6, 2001

Mr. Pierre S. Pettigrew  
Minister for International Trade  
Department of Foreign Affairs and International Trade  
Government of Canada  
Ottawa, Canada  
K1A 0G2



Dear Mr. Pettigrew:

I am writing with regard to your invitation to comment on the potential for a free trade agreement with Central America.

In principle, XCAN supports the pursuit of free trade in agriculture. As a country, Canada produces much more than it is able to consume, thus leaving our producers dependent on access to export markets. Unfortunately, Canadian agriculture has been burdened with a number of trade obstacles in many markets throughout the world, including export and domestic subsidies, tariff and non-tariff barriers and restricted access to many markets.

As you point out, today there is some but not a lot of bi-lateral trade between Canada and Central America. Potential does exist, however, to see that trade grow.

On the agricultural side of things, we believe that the Government of Canada should pursue a free trade agreement with Central America as long as agriculture is part of that agreement. We would not support a free trade agreement with Central America if agriculture was not included.

Central America offers potential for expanded imports of Canadian beans, peas, lentils and canola oil and meal.

Specifically, a primary objective of such a free trade agreement would be at least parity treatment on any tariffs assessed on the import of food into Central America. Many countries have different tariffs on similar products, e.g. soybean or palm oil versus canola oil, or different tariffs on similar products but from different origins, e.g. a higher tariff on Canadian beans versus Argentine beans. We would prefer, of course, that there be no tariffs on the import of Canadian agri-food products. That can be an initial goal or a phased-in goal, depending on the circumstances.

Central American countries must also agree to adhere to internationally recognized and accepted sanitary and phyto-sanitary protocols.

We see the expansion of free trade through bi-lateral initiatives as a positive move as long as they re-inforce and complement the multi-lateral trade initiatives which Canada has been publicly committed to and for which we support.

If we can provide further assistance and/or information, we would be happy to cooperate.

Yours truly,

A handwritten signature in black ink, appearing to read 'K.L. Matchett', written in a cursive style.

K.L. Matchett  
Chief Executive Officer

CC Mr. N. Silver, President, Agricore Cooperative Ltd.  
Mr. G. Cummings, Chief Executive Officer, Agricore Cooperative Ltd.



## Dubien, Deric -EAI

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**From:** wolfgang\_schmitz@greer.com  
**Sent:** February 12, 2001 8:18 PM  
**To:** deric.dubien@dfait-maeci.gc.ca  
**Cc:** sabine.hay@dfait-maeci.gc.ca  
**Subject:** CENTRAL AMERICA FTA

Good morning.

Please refer to the Jan 09 letter from the Hon. Pierre S. Pettigrew asking for comments on the proposed FTA with CA countries.

The opinions expressed are not necessarily those of my company ( Greer Shipping Ltd ) or the Canadian Council for the Americas , BC Chapter, where I am on the Bord of Directors.

For the past 10 years I have been very active in the Mexico/Central America trade. The first service between the eastcoast of Canada and Guatemala , Honduras ( and overland to El Salvador ) and Costa Rica was the result of a long study undertaken by me.

In order to convince a shipowner to commit vessels and containers, etc. I interviewed exporters and importers, manufacturers and trading companies, etc.

The service, now on a weekly basis , is doing well.

In the late 90's I moved to the westcoast and convinced an owner to start up a service down the coast as far as FCosta Rica.

My remarks here are addressing some of the problems encountered with the flow of traffic between Canada and Central America.

Southbound:

Although slowly changing, Canadians have a strange mentality when it comes to dealing with countries to the south.

We prefer the much easier way and sell our merchandise to companies in the USA who then in turn combine our products with theirs for sales in Central American countries or merely just pass the product along with a markup.

By dealing through a US based company Canadian exporters can conduct business in English, have a better control over the financial aspects, have a relatively simple transport to look after, etc.

The result is that in most cases the exports are shown on the B 13 forms ( Customs exit declaration ) as bound for the USA and thus reduce the actual volume / value of our exports to Central America.

Northbound

This trade is dominated by multinationals ( bananas is a typical example ) and large US based companies.

The Central American countries have various export oriented Government or semi Government owned organizations to promote the exports of products to other countries.

Traditionally, these associations/organizations have been doing business with US companies who then sell some of the products in Canada..

The price of the merchandise increases and , in the case of fruits and vegetables ,the quality of the product decreases due to extra handling, fumigation and washing of certain products to conform with US regulations.

I have done studies with Central American plantations and their export organizations to determine the differentials by shipping direct to Canada as compared to transit via the USA. The savings by exporting direct are substantial.

A Free Trade Agreement should have provisions to encourage exporters and importers in the countries concerned to trade direct with Canada. By doing so Canada can increase it's exports through pricing enabling the population of the countries included in a Free Trade Agreement to increase purchases.

Similarly if the CA countries export direct to Canada, the consumption of their products in Canada will increase due to better quality of the merchandise and decreased prices.

Respectfully submitted

PS: This is NOT a lobbying effort for the steamship industry.

The ships trading between here and Central America are full now. If we can increase the direct flow of goods, shipowners will have to and will increase capacity.

It has been proven again and again that a regular transportation service between any two points increases the flow of goods which results in stable economies.



LaSalle, le 9 février 2001

Monsieur Pierre S. Pettigrew  
Ministre du Commerce International  
Direction de la Planification de la Politique  
Commerciale Amérique Centrale  
**Ministère des Affaires et du Commerce Int'l**  
125, Promenade Sussex  
Ottawa (Ontario)  
K1A 0G2

**Objet : Consultation sur un accord de libre échange entre le Canada et l'Amérique centrale**

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Monsieur le Ministre,

C'est avec plaisir et intérêt que nous participons à la consultation que votre ministère réalise sur la perspective d'un traité de libre échange entre le Canada et des pays d'Amérique centrale, dont le Salvador où nous opérons un projet de gestion intégrée des déchets urbains dans la région de la capitale.

#### Contexte

Ce projet représente un investissement de 61 millions\$US sur 20 ans, constitue une contribution majeure à l'amélioration de l'environnement et de la santé publique et comporte un volet social important. En effet, notre présence au Salvador, par l'intermédiaire de Mides, une Société d'économie mixte formée de Cintec International Inc. et de 10 des 14 municipalités de la région métropolitaine de San Salvador, dépasse les simples activités de disposition et de gestion des déchets. En plus de la construction des infrastructures complémentaires au site d'enfouissement (centres de transfert et de tri/recyclage, unité de traitement des déchets biomédicaux), nous sommes impliqués dans des programmes d'éducation de la population et de réintégration sociale (relogement, intégration au travail) des personnes qui vivaient sur l'ancien dépotoir. Rappelons que cette population ne bénéficie d'aucune aide spécifique de l'état et que c'est à des services d'hygiène et de santé de base qu'il a fallu d'abord pallier. Un programme conjoint ACDI/CINTEC/CUSO visant la continuité de ce programme est actuellement à l'étude.

### Difficultés de mise en oeuvre

Notre apport à cette consultation sera en continuité avec les commentaires que nous avons déjà communiqués lors de notre participation à une rencontre au Guatemala avec Monsieur Van Beseleare et d'autres cadres d'entreprises canadiennes présentes dans les pays ciblés avec votre projet<sup>1</sup>. Les propos que nous vous communiquons dans cette lettre ne s'éloignent pas beaucoup de ce que nous disions alors, les irritants que nous relevions à ce moment-là ne s'étant nullement atténués.

Essentiellement, nous vivons un climat d'affaire difficile et contraignant où on ne sent pas que les principes de base qui permettent à une entreprise de se développer sont respectés soit:

- ☛ l'accessibilité aux droits et privilèges dont elle peut bénéficier;
- ☛ les possibilités de croissance et de développement de ses affaires sans entraves;
- ☛ la reconnaissance et la valorisation de ses activités.

**1. Au chapitre des droits et privilèges** dont nous devrions pouvoir bénéficier, nous devons faire les frais de délais administratifs reliés au Gouvernement Central qui nous paraissent difficilement justifiables. La confirmation de notre éligibilité au décret no 739 est un exemple frappant. Ce décret a été adopté en juillet 1996 et stipule que toutes les entreprises privées oeuvrant dans le domaine du traitement sécuritaire des déchets solides, suivant des normes que nous rencontrons, sont exemptées d'impôts, de taxes municipales et de droits de douane pour une période de 10 ans. Nous avons présenté notre dossier et avons reçu des avis officiels positifs des fonctionnaires concernés en décembre 1999<sup>2</sup> quant à notre éligibilité à ce décret. Or la lettre conjointe du Ministère de l'agriculture et du Ministère des finances nous confirmant ces privilèges n'a toujours pas été émise. Cette situation pénalise nos opérations, aux douanes en particulier où nous devons subir constamment de multiples retards et tracasseries administratives en plus de payer des frais substantiels qui ne devraient pas s'appliquer.

Rappelons d'ailleurs que dès le début de ce projet, nous avons rencontré des difficultés. Il s'agissait alors d'un projet de construction que la Société pour l'expansion des exportations du Gouvernement du Canada avait accepté de financer. Il fallait cependant recevoir l'appui et la garantie du Gouvernement Central pour mettre en place ce financement. Cet appui nous a été refusé et c'est pourquoi le projet a dû être modifié en une concession sur 20 ans, afin de pouvoir étaler le financement.

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<sup>1</sup> Lettre de Mides annexée

<sup>2</sup> Documents annexés

Enfin, les délais indus que nous devons subir pour l'obtention de permis (traitement des déchets bio-médicaux, etc.) et des demandes questionnables (étude d'impacts complète et élaborée pour un Centre de Transfert) s'ajoutent également aux contraintes et constituent des facteurs de ralentissement de notre développement. Nous associons ces contraintes et délais à des ingérences qui relèvent de facteurs politiques liés à des antagonismes entre paliers de gouvernement. Cette situation induit des coûts inacceptables et crée un contexte d'affaires intolérable à long terme.

**2. Au chapitre de la croissance et du développement des affaires,** même si le mot peut surprendre, nous n'hésitons pas à parler d'un véritable boycott contre l'adhésion libre à notre projet des municipalités dirigées par un maire du parti ARENA. En effet, aucune des municipalités de cette allégeance, même celles où nous avons fait naître un certain intérêt, n'utilisent actuellement nos installations.

Cette situation est d'autant plus inacceptable que le projet Mides a été conçu pour répondre aux besoins de la grande région métropolitaine de San Salvador et qu'avec l'ajout planifié de stations de transfert, nous pourrions desservir un territoire plus large. Les besoins sont là et nos services, reconnus par décret gouvernemental, sont disponibles à des coûts hautement concurrentiels. Pourtant, pour des impératifs strictement politiques, des municipalités font fi de services existants sur leur territoire et continuent de disposer de leurs déchets solides dans des décharges non contrôlées.

Quant aux programmes ou facilités de financement sur lesquels on devrait pouvoir compter dans un pays où on apporte un investissement important et des retombées économiques associées, il a également fallu y renoncer, aucune institution financière du pays ne s'étant engagée à financer, même partiellement, nos activités.

**3. Au chapitre de la reconnaissance et de la valorisation,** nos activités sont uniques en Amérique centrale et les bénéfices pour l'environnement et la santé sont indéniables. Pourtant, le climat de remise en question et de contestation du projet dépasse nettement le niveau que les groupes écologiques et nos compétiteurs s'occupent généralement de maintenir. L'exemple le plus récent est la création d'une Commission d'enquête de l'Assemblée Nationale pour un projet qui dessert adéquatément 10 des 262 municipalités du pays, alors que les autres continuent de disposer de leurs déchets dans des dépotoirs à ciel ouvert, des ravins ou le lit des cours d'eau.

Plus de trois ans après la fondation de Mides et la signature des contrats entre cette Société et les municipalités, cette Commission se donne un mandat d'enquête sur les conditions d'attribution des contrats, les engagements réels, les coûts et les échéanciers de réalisation alors que depuis bientôt 2 ans :

- nous gérons les déchets solides urbains et, depuis janvier 2000, les résidus biomédicaux d'une grande partie de la région métropolitaine avec des technologies de pointe et selon des normes environnementales parmi les plus strictes;
- nous nous sommes conformés à toutes les demandes et exigences en provenance des Ministères de l'environnement et de la santé;
- les critiques publiques du projet ont touché davantage la structure des coûts et la philosophie d'approche que la pertinence du projet, sa justification ou l'efficacité des technologies.

Comme le projet ne peut être attaqué au niveau de sa pertinence et de sa qualité, nous devons faire face à un acharnement du gouvernement central à remettre en question certains aspects contractuels négociés de bonne foi depuis plusieurs années. Si nous comprenons la problématique des antagonismes politiques, il est inacceptable que ceux-ci se résolvent sur le dos de l'entreprise privée.

Nous sommes bien conscients que la structure corporative de Mides où seulement des municipalités de la gauche (FMLN) sont présentes ne facilite pas les choses. Toutefois, la structure de Mides est ouverte et permet d'accueillir d'autres municipalités. Dans ces conditions, nous souhaitons que les négociations que vous entreprenez contribuent à dépolitiser les projets qui ont fait l'objet d'investissements massifs, en particulier ceux qui impliquent des améliorations significatives à l'environnement et à la santé publique. Nous souhaitons que ces dossiers soient traités et gérés dans une perspective de libre concurrence et de liberté commerciale, conditions sans lesquelles, selon nous, toute entente de libre échange entre 2 pays est compromise.

- 5 -

En espérant que cette démarche de consultation soit fructueuse et que nous pourrions demeurer associés à ses résultats, nous vous prions d'accepter, Monsieur le Ministre, l'expression de nos meilleurs sentiments.

**CINTEC ENVIRONNEMENT INC.**

Pierre S. Turcotte

/js

p.j.



*International Trade*  
*Commerce International*

# News Release

[www.dfait-maeci.gc.ca](http://www.dfait-maeci.gc.ca)

January 9, 2001 (1:30 p.m. EST) No. 4

## **CANADA TO BEGIN CONSULTATIONS ON FREE TRADE AGREEMENT WITH FOUR CENTRAL AMERICAN NATIONS**

The Government of Canada will begin public consultations to obtain Canadians' views on a free trade agreement with El Salvador, Guatemala, Honduras and Nicaragua, International Trade Minister Pierre Pettigrew announced today.

"Consulting Canadians is an ongoing and important part of developing Canada's trade policy," said Minister Pettigrew. "Negotiations will take into account vital Canadian interests such as labour and environmental standards."

The Government will seek input from the Canadian public, businesses, and citizen-based organizations, as well as the provinces and territories during the initial consultation process. Canadian and Central American officials are scheduled to meet at the end of February.

Canadians have also been consulted on ongoing World Trade Organization services negotiations (GATS), Free Trade Area of the Americas (FTAA) talks, and on bilateral initiatives such as free trade negotiations with Costa Rica and exploratory free trade talks with Singapore.

In 1999, Canada exported goods worth \$212 million to El Salvador, Guatemala, Honduras and Nicaragua and imported goods worth about \$251 million. There is significant potential for Canadian companies in several priority export sectors, including telecommunications equipment, environmental equipment and services, foodstuffs, automotive parts, and construction materials.

Free trade negotiations with Central America signal Canada's continued engagement in the region, and will provide momentum to the negotiation of the FTAA.

Prime Minister Chrétien and the presidents of the four countries agreed to pursue a free trade agreement last September at the Canada-Central America Summit.

- 30 -

For more information on consultations on the Canada-Central America Four free trade negotiations, please visit: <http://www.dfait-maeci.gc.ca/tna-nac/ca4-e.asp>

For further information, media representatives may contact:

Sylvie Bussières

Office of the Minister for International Trade

(613) 992-7332

Media Relations Office

Department of Foreign Affairs and International Trade

(613) 995-1874



Department of Foreign Affairs  
and International Trade

Ministère des Affaires étrangères  
et du Commerce international

Canada



# Communiqué

www.dfait.maeci.gc.ca

Le 9 janvier 2001 (13 h 30 HNE) N° 4

## LE CANADA AMORCERA DES CONSULTATIONS SUR UN ACCORD DE LIBRE-ÉCHANGE AVEC QUATRE PAYS DE L'AMÉRIQUE CENTRALE

Le ministre du Commerce international, M. Pierre Pettigrew, a annoncé aujourd'hui que le gouvernement du Canada amorcera des consultations afin de recueillir les points de vue des Canadiens au sujet d'un accord de libre-échange avec le Guatemala, le Honduras, le Nicaragua et le Salvador.

« La consultation des Canadiens est un processus continu qui fait partie intégrante de la formulation de la politique commerciale canadienne, a déclaré M. Pettigrew. Au cours des négociations, nous tiendrons compte des intérêts essentiels des Canadiens, notamment en ce qui concerne les normes du travail et les normes environnementales. »

Lors de ces consultations initiales, le gouvernement consultera la population canadienne, les entreprises, les regroupements de citoyens ainsi que les provinces et territoires. Des rencontres sont prévues entre les représentants du Canada et de l'Amérique centrale à la fin de février.

Les Canadiens ont aussi été consultés sur les négociations continues de l'Organisation mondiale du commerce sur les services (AGCS), les pourparlers de la Zone de libre-échange des Amériques (ZLEA) et des initiatives bilatérales telles que les négociations sur le libre-échange avec le Costa Rica et les pourparlers exploratoires avec Singapour.

En 1999, le Canada a exporté pour 212 millions de dollars de marchandises vers le Guatemala, le Honduras, le Nicaragua et le Salvador, et a importé de ces pays pour 251 millions de dollars. Un potentiel d'exportation considérable s'offre aux entreprises canadiennes dans plusieurs secteurs prioritaires, notamment les équipements de télécommunications, le matériel et les services environnementaux, les denrées alimentaires, les pièces automobiles et les matériaux de construction.

Les négociations sur le libre-échange avec l'Amérique centrale témoignent de l'engagement soutenu dont le Canada fait preuve à l'égard de la région, et donneront un essor aux négociations sur la Zone de libre-échange des Amériques.

En septembre dernier, au Sommet Canada-Amérique centrale, le premier ministre Chrétien et les présidents des quatre pays précités ont convenu de chercher à conclure un accord de libre-échange.

Pour plus d'information au sujet des consultations sur les négociations commerciales avec les quatre pays de l'Amérique centrale, visitez : <http://www.dfait-maeci.gc.ca/tna-nac/ca4-f.asp>

Pour de plus amples renseignements, les représentants des médias sont priés de communiquer avec :

Sylvie Bussières

Cabinet du ministre du Commerce international

(613) 992-7332

Le Service des relations avec les médias

Ministère des Affaires étrangères et du Commerce international

(613) 995-1874



Ministère des Affaires étrangères  
et du Commerce international

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and International Trade

Canada



## Trade Negotiations and Agreements



# Consultations with Canadians

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### Canada - Central America Four Free Trade Agreement Negotiations

*Notice published in the Canada Gazette, January 6, 2001*

### Consultations on Trade Negotiations with the Central American countries of El Salvador, Guatemala, Honduras and Nicaragua.

The Government of Canada is seeking the opinions of Canadians on the possible scope of a free trade agreement between Canada and the Central American countries of El Salvador, Guatemala, Honduras and Nicaragua.

#### Background

A free trade agreement with Central America would improve our trade and political ties with the region's rapidly growing economies. Although the region is a relatively small market, Canada's efforts in expanding its role in Central America are paying dividends. Our exports to the region are growing and Canadian companies have been successfully competitive. Canadian direct foreign investment in the region is approximately \$209 million. In March 1998, Canada signed a Memorandum of Understanding on Trade and Investment with Central America to enhance our economic relations with the region.

Increasing investment in these countries by international financial institutions, notably the Inter-American Development Bank (IADB) and the World Bank, has led to industrial and commercial expansion in the region. In 1995, Canadian exports to the four countries were \$94 million while imports were valued at \$197.3 million. In 1999, Canada exported goods worth \$211.8 million to Central America and imported goods worth just over \$251 million.

Recent trade and economic developments in Central America will offer increased opportunities for Canadian participation in sectors where Canadian companies have proven expertise. There is significant potential for Canadian companies in several priority export sectors, such as telecommunications equipment, environmental equipment and services, foodstuffs, automotive parts, and construction materials. Canadian exports include financial services, wheat, telecommunications equipment, newsprint and other paper products, potash, processed foods, fruits and vegetables, and plastics. Canadian imports include fruits and vegetables, textiles and apparel, sugar, electronic components, tobacco and coffee.

#### Submissions by Interested Parties

Consulting with Canadians on our mutual goals is an important part of how Canadian trade policy is formulated. Therefore, it is essential that the Government of Canada be fully aware of the interests and sensitivities of Canadians with respect to this initiative. Therefore, we would welcome advice and views on any priorities, objectives and concerns about a free trade agreement with Central America. We seek input with respect to the following:

- Opinions on areas of export interest, including products for which Central

America should eliminate barriers. The Government is also seeking views on products for which there may be concerns if access to the Canadian market for Central American products were to be improved, including opinions on the staging of any concessions.

- Views on general rules of origin issues and/or advice on appropriate rules of origin or procedures for specific products or sectors.
- Any suggestions on "trade facilitation" issues, e.g. significant impediments related to import-related procedures.
- Advice, views and experiences on customs-related issues for both travelers and commercial goods entering or leaving the region.
- Advice and views on the possible inclusion of investment within the scope of negotiations, the types of problems faced by Canadian investors in Central America, and the type of investment rules that would provide them with better access, treatment, protection and predictability for their investments.
- Advice and views on the possible inclusion of services within the scope of negotiations, service sectors in Central America that could be a target for further liberalization, and opinions on measures affecting access, including regulatory measures that restrict trade in services.
- Advice and views on the possible inclusion of competition policy within the scope of the negotiations.
- Views on ways to reflect the interests and values of Canadians in the areas of the protection of the environment, basic workers' rights, human rights, and other social concerns, as they relate to Central America.
- Views on any other related issues.

All interested parties are invited to submit their views at the earliest opportunity and submissions should preferably be received before Friday, February 2, 2001. They should:

1. include the contributor's name and address;
2. identify the issues being addressed;
3. provide precise information on the reasons for positions taken, including anticipated effects on employment and production in Canada, on import and export interests, and on any other social or economic interests in Canada.

Contributions can be sent by e-mail, fax or mail to:

E-mail: [consultations@dfait-maeci.gc.ca](mailto:consultations@dfait-maeci.gc.ca)  
Fax: (613) 944-0757  
Address: Trade Negotiations Consultations (Central America)  
Trade Policy Planning Division (EAI)  
Department of Foreign Affairs and International Trade  
Lester B. Pearson Building  
125 Sussex Drive  
Ottawa, Ontario  
K1A 0G2

Updated January 9, 2001



Ministère des Affaires étrangères  
et du Commerce internationalDepartment of Foreign Affairs  
and International Trade

## Négociations et Accords commerciaux



## Consultation des Canadiens

English

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**Canada - Amérique centrale (Salvador, Guatemala, Honduras et Nicaragua) - Négociations en vue d'un Accord de libre-échange***Avis publié dans la Gazette du Canada, le 6 janvier 2001***Consultations sur des négociations commerciales avec l'Amérique centrale (Salvador, Guatemala, Honduras et Nicaragua)**

Le gouvernement du Canada souhaite recueillir les opinions des Canadiens sur la portée possible d'un accord de libre-échange entre le Canada et l'Amérique centrale (Salvador, Guatemala, Honduras et Nicaragua).

**Contexte**

La conclusion d'un accord de libre-échange avec l'Amérique centrale améliorerait nos rapports commerciaux et politiques avec les économies de la région qui connaissent une croissance rapide. Bien que la région représente un marché relativement petit, les efforts déployés par le Canada pour accroître sa présence en Amérique centrale portent leurs fruits. Nos exportations à destination de la région sont en hausse et les entreprises canadiennes font face à la concurrence avec succès. L'investissement canadien direct dans la région est de l'ordre de 209 millions \$. En mars 1998, le Canada a signé un protocole d'entente sur le commerce et l'investissement avec l'Amérique centrale afin de développer ses relations économiques avec la région.

L'accroissement de l'investissement dans ces pays par les institutions financières internationales, notamment la Banque interaméricaine de développement (BID) et la Banque mondiale a favorisé l'essor industriel et commercial de la région. En 1995, les exportations canadiennes à destination des quatre pays représentaient 94 millions \$ tandis que les importations s'établissaient à 197,3 millions \$. En 1999, le Canada a exporté pour 211,8 millions \$ de marchandises en Amérique centrale et importé de cette région pour un peu plus de 251 millions \$.

L'évolution récente de la situation commerciale et économique en Amérique centrale offrira des possibilités accrues dans des secteurs où des entreprises canadiennes possèdent une capacité confirmée. Un potentiel d'exportation considérable s'offre aux entreprises canadiennes dans plusieurs secteurs prioritaires tels que les équipements de télécommunications, le matériel et les services environnementaux, les denrées alimentaires, les pièces automobiles et les matériaux de construction. Le Canada exporte notamment des services financiers, du blé, du matériel de télécommunications, du papier journal et autres produits du papier, de la potasse, des aliments transformés, des fruits et légumes, et des matières plastiques. Il importe, entre autres, des fruits et légumes, des textiles et vêtements, du sucre, des composants électroniques, du tabac et du café.

**Observations des parties intéressées**

La consultation des Canadiens au sujet de nos objectifs mutuels constitue un élément important de la formulation de la politique commerciale canadienne. Par conséquent, il est essentiel que le gouvernement sache ce que pensent les

Canadiens de cette initiative. C'est pourquoi j'accueillerai avec intérêt vos avis et opinions sur les priorités, les objectifs et les enjeux de négociations pouvant mener à la conclusion d'un accord de libre-échange avec l'Amérique centrale. Nous cherchons à recueillir votre avis sur les points suivants :

- les secteurs d'exportation qui vous intéressent, notamment les produits pour lesquels l'Amérique centrale devrait supprimer les obstacles au commerce. Le gouvernement sollicite aussi des avis sur les produits au sujet desquels il pourrait y avoir des problèmes si le Canada devait améliorer l'accès de produits d'Amérique centrale au marché canadien et sur l'échelonnement de concessions.
- questions d'ordre général concernant les règles d'origine ou avis sur l'application de règles d'origine ou de procédures conçues pour des produits ou des secteurs particuliers.
- suggestions relatives à la « facilitation du commerce », p. ex. entraves majeures liées aux formalités douanières ou à d'autres formalités rattachées à l'importation.
- problèmes de nature douanière se présentant lorsque des voyageurs ou des marchandises entrent dans la région ou en sortent.
- la possibilité d'inscrire la question de l'investissement à l'ordre du jour des négociations, les types de problèmes que rencontrent les investisseurs canadiens en Amérique centrale et les règles en matière d'investissement qui pourraient offrir un meilleur accès, un meilleur traitement, une meilleure protection et une meilleure prévisibilité aux investisseurs canadiens.
- la possibilité d'inscrire la question des services à l'ordre du jour des négociations, les secteurs de services en Amérique centrale qui devraient être ciblés aux fins d'une libéralisation accrue, et les obstacles à l'accès, y compris les obstacles réglementaires, qui restreignent le commerce des services.
- la possibilité d'inscrire la question de la politique de la concurrence à l'ordre du jour des négociations.
- les façons de refléter les valeurs et les intérêts des Canadiens dans les domaines de la protection de l'environnement, du respect des droits fondamentaux des travailleurs, des droits de la personne et autres préoccupations sociales, en rapport avec l'Amérique centrale.
- toute autre question connexe.

Toutes les parties intéressées sont invitées à présenter leurs points de vue le plus tôt possible et, de préférence, avant le vendredi 2 février 2001. Les documents envoyés doivent :

1. contenir le nom et l'adresse du participant;
2. préciser les questions traitées;
3. justifier avec précision les positions prises, notamment les effets sur l'emploi et la production au Canada, sur l'importation et l'exportation, et les incidences sur tout autre intérêt social ou économique au Canada.

Les observations peuvent être envoyées par courrier électronique, par télécopieur ou par courrier postal aux adresses suivantes :

Courrier électronique : [consultations@dfait-maeci.gc.ca](mailto:consultations@dfait-maeci.gc.ca)  
Télécopieur : (613) 944-0757  
Courrier postal : Consultations sur les négociations commerciales  
(Amérique centrale)  
Direction de la planification de la politique commerciale (EAI)  
Ministère des Affaires étrangères et du Commerce international  
Édifice Lester B. Pearson  
125, promenade Sussex  
Ottawa (Ontario)  
K1A 0G2

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## Letter to representatives of the private sector and Not for Profit Organizations

In September 2000, at the Canada-Central America Summit, Prime Minister Chrétien and the Presidents of El Salvador, Guatemala, Honduras and Nicaragua agreed to pursue a free trade agreement between Canada and Central America. The Government of Canada believes that ongoing, broad-based consultations with the provinces and territories, the business sector, and the public at large are essential to help us define the scope of this initiative. I am, therefore, writing to seek your views on the scope of a free trade agreement between Canada and Central America.

In 1999, Canada exported goods worth \$212 million to El Salvador, Guatemala, Honduras and Nicaragua and imported goods worth about \$251 million. Recent trade and economic developments in Central America will offer increased opportunities for Canadian participation in sectors where Canadian companies have proven expertise. There is significant potential for Canadian companies in several priority export sectors such as telecommunications, environmental equipment and services, foodstuffs, automotive parts, and construction material. Canadian exports include financial services, wheat, telecommunications equipment, newsprint and other paper products, potash, processed foods, fruits and vegetables, and plastics. Canadian imports include fruits and vegetables, textiles and apparel, sugar, electronic components, tobacco and coffee.

Canadian direct foreign investment in the region is approximately \$209 million. In March 1998, Canada signed a Memorandum of Understanding on Trade and Investment with Central America to enhance our economic relations with the region. Although the region is a relatively small market, Canada's efforts in expanding its role in Central America are paying dividends. Our exports to the region are growing and Canadian companies have been competing successfully.

Consulting with Canadians on our mutual goals is an important part of how Canadian trade policy is formulated. Therefore, it is essential that the Government be fully aware of the interests and sensitivities of Canadians with respect to this initiative. To that end, I would welcome your advice and views on any priorities, objectives and concerns about a free trade agreement with Central America. I would appreciate receiving your views by Friday, February 9, 2001, although I will consider views received after that date. You may provide your input using the following contact point:

Trade Policy Planning Division (EAD) / Central America  
Department of Foreign Affairs and International Trade  
125 Sussex Drive  
Ottawa, Ontario  
K1A 0G2  
Fax: (613) 944-0757  
E-mail: [consultations@dfait-maeci.gc.ca](mailto:consultations@dfait-maeci.gc.ca)

Alternatively, views may be communicated through the Trade Negotiations and Agreements page of the Department of Foreign Affairs and International Trade's Internet site at [www.dfait-maeci.gc.ca](http://www.dfait-maeci.gc.ca).

Your input is a critical part of our consultative process on this issue. I look forward to your comments and advice.

Sincerely,

Pierre S. Pettigrew

## Lettre destinée aux représentants du secteur privé et d'organisations sans but lucratif

En septembre 2000, au Sommet Canada-Amérique centrale, le premier ministre Chrétien et les présidents du Salvador, du Guatemala, du Honduras et du Nicaragua ont décidé de chercher à conclure un accord de libre-échange entre le Canada et l'Amérique centrale. Le gouvernement du Canada estime qu'il est essentiel, dans le contexte de cette initiative, de mener de façon continue de vastes consultations auprès des provinces et territoires, des milieux d'affaires et du grand public. Je sollicite donc par la présente votre avis sur la portée que devrait avoir un accord de libre-échange entre le Canada et l'Amérique centrale.

En 1999, le Canada a exporté pour 212 millions \$ de marchandises au Salvador, au Guatemala, au Honduras et au Nicaragua et a importé de ces pays pour 251 millions \$ environ. L'évolution récente de la situation commerciale et économique en Amérique centrale offrira des possibilités accrues dans des secteurs où des entreprises canadiennes possèdent une capacité confirmée. Un potentiel d'exportation considérable s'offre aux entreprises canadiennes dans plusieurs secteurs prioritaires tels que les télécommunications, le matériel et les services environnementaux, les denrées alimentaires, les pièces automobiles et le matériel de construction. Le Canada exporte notamment des services financiers, du blé, du matériel de télécommunications, du papier journal et autres produits du papier, de la potasse, des aliments transformés, des fruits et légumes, et des matières plastiques. Il importe, entre autres, des fruits et légumes, des textiles et vêtements, du sucre, des composants électroniques, du tabac et du café.

L'investissement canadien direct dans la région est de l'ordre de 209 millions \$. En mars 1998, le Canada a signé un protocole d'entente sur le commerce et l'investissement avec l'Amérique centrale afin de développer ses relations économiques avec la région. Bien que celle-ci représente un marché relativement petit, les efforts déployés par le Canada en vue d'accroître sa présence en Amérique centrale portent leurs fruits. Nos exportations à destination de la région sont en hausse et les entreprises canadiennes ont fait face à la concurrence avec succès.

La consultation des Canadiens au sujet de nos objectifs mutuels constitue un élément important de la formulation de la politique commerciale canadienne. Par conséquent, il est essentiel que le gouvernement sache ce que pensent les Canadiens de cette initiative. C'est pourquoi j'accueillerai avec intérêt vos avis et opinions sur les priorités, les objectifs et les enjeux de négociations pouvant mener à la conclusion d'un accord de libre-échange avec l'Amérique centrale. Je vous serais reconnaissant de me faire part de vos commentaires d'ici le vendredi 9 février 2001, bien que j'accepterai tous les points de vue reçus après cette date, en utilisant l'adresse ci-dessous :

Direction de la planification de la politique commerciale (EAI) /  
Amérique centrale  
Ministère des Affaires étrangères et du Commerce international  
125, promenade Sussex  
Ottawa (Ontario)  
K1A 0G2  
Télec. : (613) 944-0757  
Courriel : consultations@dfait-maeci.gc.ca

Vous pouvez aussi passer par la page *Négociations et Accords commerciaux* du site Internet du ministère des Affaires étrangères et du Commerce international ([www.dfait-maeci.gc.ca](http://www.dfait-maeci.gc.ca)).

Votre participation est indispensable au processus de consultation et j'espère recevoir vos commentaires bientôt.

Je vous prie d'agréer, [insert code], l'expression de mes sentiments les meilleurs.

Pierre S. Pettigrew

## Letter to Provincial and Territorial Ministers

In September 2000, at the Canada-Central America Summit, Prime Minister Chrétien and the Presidents of El Salvador, Guatemala, Honduras and Nicaragua agreed to pursue a free trade agreement between Canada and Central America. The Government of Canada believes that ongoing, broad-based consultations with the provinces and territories, the business sector, and the public at large are essential in regards to this initiative. I am therefore writing to seek your views on the scope of a free trade agreement between Canada and Central America.

In 1999, Canada exported \$212 million worth of goods to El Salvador, Guatemala, Honduras and Nicaragua and imported goods worth about \$251 million. Recent trade and economic developments in Central America will offer increased opportunities for Canadian participation in sectors where Canadian companies have proven expertise. There is significant potential for Canadian companies in several priority export sectors such as telecommunications, environmental equipment and services, foodstuffs, automotive parts, and construction material. Canadian exports include financial services, wheat, telecommunications equipment, newsprint and other paper products, potash, processed foods, fruits and vegetables, and plastics. Canadian imports include fruits and vegetables, textiles and apparel, sugar, electronic components, tobacco and coffee.

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The Government of Canada wishes to afford opportunities to Canadians and provincial and territorial governments to present their interests and sensitivities with respect to this initiative. To that end, I would welcome your advice and views on any priorities, objectives and concerns about a free trade agreement with Central America. I would also appreciate your advice concerning the possible inclusion of investment and services within the scope of the negotiations with Central America and especially with regard to any subject of shared or provincial/territorial competence. I would be most grateful if you could provide these views by Friday, February 2, 2001. I also wish to assure you that we will continue to consult with the provinces and territories, and keep you fully informed of developments.

Your input is a critical part of our consultative process on this issue. I look forward to your comments and advice.

Sincerely,

Pierre S. Pettigrew

## Lettre destinée aux ministres des provinces et territoires

En septembre 2000, au Sommet Canada-Amérique centrale, le premier ministre Chrétien et les présidents du Salvador, du Guatemala, du Honduras et du Nicaragua ont décidé de chercher à conclure un accord de libre-échange entre le Canada et l'Amérique centrale. Le gouvernement du Canada estime qu'il est essentiel, dans le contexte de cette initiative, de mener de façon continue de vastes consultations auprès des provinces et territoires, des milieux d'affaires et du grand public. Je sollicite donc par la présente votre avis sur la portée que devrait avoir un accord de libre-échange entre le Canada et l'Amérique centrale.

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Le gouvernement du Canada souhaite donner aux Canadiens et à leurs gouvernements provinciaux et territoriaux l'occasion de faire part de leurs points de vue en ce qui a trait à cette initiative. C'est pourquoi j'accueillerai avec intérêt vos avis et opinions sur les priorités, les objectifs et les enjeux de négociations pouvant mener à la conclusion d'un accord de libre-échange avec l'Amérique centrale. J'aimerais également savoir ce que vous pensez de la possibilité d'inscrire les services et l'investissement à l'ordre du jour des négociations avec l'Amérique centrale, eu égard notamment aux questions pouvant toucher des domaines de compétence provinciale ou territoriale, ou de compétence partagée. Je vous serais reconnaissant de me faire parvenir vos commentaires d'ici le vendredi 2 février 2001. Je tiens aussi à vous assurer que nous poursuivrons les consultations avec les provinces et les territoires et que nous vous tiendrons informés de l'évolution du dossier.

Votre participation est indispensable au processus de consultation et j'espère recevoir vos commentaires bientôt.

Je vous prie d'agréer, Monsieur le ministre, l'expression de mes sentiments les meilleurs.

Pierre S. Pettigrew

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