REPORT 4 88/07/27

GUARTERLY PROGRESS REPORT OF EXPORT PROMOTION PROGRAM AT MISSIONS ABROAD FOR FISCAL YEAR 87 FORECAST OF KEY ACTIVITIES AND ANTICIPATED RESULTS STATED IN MISSION'S ANNUAL PLAN

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POST : 633-SANTIAGO

009-FOREST PRODUCTS, EQUIP, SERVICES CHILE

PLANNING:

ACTIVITIES PROPOSED IN POST PLAN:

IF SUPPORT IS GIVEN BY FEDERAL & PROVINCIAL GOVERMENT, ESTABLISH A SHOW ROOM/SERVICE CENTER IN CONCEPTION FOR 12 TO 15 CANADIAN FORESTRY EQUIPMENT MANUFACTURERS

WE ARE TRYING TO INTEREST CON PULP MANUFACTURERS TO PARTICIPATE IN THE NEW PULP MILL PROJECTS. IF THEY DON'T, OTHER COUNTRIES WILL SUPPORT AND WE WILL LOOSE MARKET OR AT LEAST MOST OF IT.

REPORTS ON PULP AND PAPER AND FORESTRY.

ANTICIPATED RESULTS:

SALES OF 5 M THE FIRTS YEAR OF OPERATIONS AND MORE FOR SUBSEQUENT YEARS.

DIFFICULT TO ASSESS BUT IF SUCCESSFULL, OVER

NEW SALES FOR CANADA.

TRACKING:

ACTIVITIES UNDERTAKEN IN QUARTER:

QUARTER: 1 FORESTRY SYMPOSIUM/SHOW IN CONCEPTION. OPENING OF A FORESTRY EQUIPT CENTER ON CONCEPTION INVES-TOR'S VISIT TO CHILE.

QUARTER: 2 PREPARATION OF A QUEBEC INVESTOR MISSION & CONTINUATION OF OUR FORESTRY CENTER PROJECT IN CONCEPCION.

QUARTER: 3 OBTAIN SUPPORT FOR THE PROJECTED FORESTRY CENTER IN CONCEPCION; PREPARE CDA INVESTOR VISIT TO CHILE; ATTEND CORMA FORESTRY SHOW TO EVALUATE INTEREST FOR FUTURE PARTICIPATION.

QUARTER: 4 CONTACT CANADIAN COMPANIES TO INTEREST THEM TO CONCEPCION FORESTRY CENTER AND FIND CDN CONSULTANT TO PREPARE PROPOSAL TO CIDA INC. CONTACT CHILEAN COS RE PULP & PAPER PLANTS.

QUARTERLY RESULTS REPORTED:

CONCEPTION SHOW A SUCCESS, MOST CDN COMPANIES HAVE FOUND OR ARE NEGOTIATING DISTRIBUTORS OR LICENSING 2M DOLLARS SALES COMMENTED WITH ACTIVITY. FORESTRY CENTER STILL IN DISCUSSION. QBC INVESTORS TO COME IN SEPT.

MATERIAUX BLANCHET IS NEGOTIATING WITH 3 LOCAL FIRMS. IF INVEST. TAKES PLACE, WE WILL WITNESS EXPORTS OF CDN EGPT; B)CDN CONSULTANT PREPARING CPPF. CIDA IS LIKELY TO SUPPORT FORESTRY CENTER PROJECT.

CDN CO. INTERESTED TO DEVELOP PROJECT WAS IDENTIFIED. FIRST PROJECT IDENTIFICATION TRIP MADE. PROPOSAL FOR MCCP IN PREPARATION; CDN INVESTOR VISIT (6 PER.) TOOK PLACE, DECISION TO INVEST IS PENDING. CORMA SHOW IS SUCCESS & WORTH PART.

AT LEAST 15 COS HAVE EXPRESSED INTEREST TO PART-ICIPATE IN CENTER. CONSULTANT HAVE BEEN FOUND & PROPOSAL TO CIDA INC. WILL BE PRESENTED IN APRIL TWO CDN COS PRESELECTED FOR ENGINEERING ON PULP & PAPER PLANTS.