

Of major concern is the identification of points in the above time frame when promotional effort by manufacturers should be put into motion.

Procurement of goods for large projects is usually spread out over the implementation stage of the project. However, purchasing for initial stages may follow very quickly after the signing of the loan agreement. Promotional work must therefore have been done at an earlier stage.

In the case of "off-the-shelf equipment," promotion can be initiated in most cases as soon as the first procurement list has been formally published in the appraisal report. For unpublished requirements or for "made to specifications" equipment, promotional work can perhaps best be initiated as soon as the consultant has been retained. This will ensure the exporter enough lead time to try to influence the design and specifications to his advantage, or at least prevent him from being left out of the competition. The exporter's promotional efforts from that point onward should therefore be concentrated on the borrower's key procurement people within the country's project implementing or executing agency and on the borrower's consultant.

### 3. The Principles of a Winning Bid

At the core of a winning bid are competitive price and technical strength, combined in a proposal that is fully responsive to the specifications required by the borrower and its consultants. For advice in formulating bids and obtaining insurance, bonds and performance guarantees, which are often required as part of tender specifications, interested companies could contact the Canadian Commercial Corporation in Ottawa, the Export Development Corporation and the relevant geographic trade divisions of the Department of External Affairs. The Industry Sector Branches of the Department of Regional Industrial Expansion, which are listed in Section III, would also be helpful in this regard and in identifying other companies with whom exporters could co-operate on bid proposals.

The basic principles that should be followed in bidding are as follows:

(a) Analyze the market realistically and selectively, focusing your efforts on those countries and sectors in which there is strong potential for your firm. Valuable human and financial resources are often used most effectively when carefully targeted to specific areas of opportunity. The Industry Sector Branches of the Department of Regional Industrial Expansion are available to provide advice to exporters in this area.

(b) Identify potential export opportunities by closely monitoring available information on international projects, including the business edition of the United Nations Development Forum, called *Development Business*, which is published bi-weekly. *Development Business* contains lists of the projects in both the World Bank and Inter-American Development Bank pipelines as well as procurement notices for MDB-financed projects. Subscriptions cost US \$250 per year and are available from:

Development Business  
P.O. Box 5858  
Grand Central Station  
New York, N.Y. 10163-5850  
Tel.: (212) 754-8070

The geographic trade development divisions and the library of the Department of External Affairs also maintain current information on capital projects overseas. International project information is also often available

from the Regional Offices of the Department of Regional Industrial Expansion and from various provincial governments.

(c) Formulate marketing strategies based on a knowledge of the project, product specifications and the competition.

(d) Implement marketing plans through contacts with the borrower and its consultant, including an explanation and emphasis of the product's special attributes and advantages.

(e) Develop a strong bid, including a competitive price, and base it on a willingness to discount overhead and perhaps profit, depending on competitors' cost and pricing flexibility. Care should be taken to ensure that any contingency costs that are included in the bid do not overcompensate for risks that are assumed. Price, however, may be a less significant factor in the case of consultants, depending on the selection process employed.

### 4. Specific Information about Each Bank

What follows below is a brief introduction to each of the multilateral banks and suggested contacts for firms interested in pursuing export business through them. As a general rule, consultants seeking information and assistance concerning any of these institutions should contact the Export Finance and Capital Projects Division of the Department of External Affairs.

Once MDB-financed project(s) have been identified and found to be consistent with the capabilities of the exporter, the trade divisions of the Department of External Affairs could also provide additional assistance as appropriate. Their addresses are listed in Section III of this booklet. For general information on local conditions and for assistance when in the field, firms should contact the trade commissioner responsible for the specific market in question. A separate booklet published by the Department of External Affairs, entitled *Business Directory of Canadian Trade Representation Abroad*, contains the addresses of all Canadian trade posts abroad. Refer to Section III for the contact point in Canada for this booklet. For assistance in arranging appointments with MDB officials, contact the trade commissioner in the city where the institution is headquartered.

#### The World Bank Group

The World Bank Group, established in 1945, is the original and largest of the multilateral development banks. Headquartered in Washington, the Bank is owned by approximately 147 member countries. It is composed of three financial institutions: the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA), and the International Finance Corporation (IFC).

Both the IBRD and IDA lend for projects which contribute to economic growth in developing countries. The difference between the two is that the IDA provides funds on extremely concessional terms to the poorest member countries. The IFC is the private investment arm of the World Bank. It seeks to finance productive private enterprises in association with private investors; to bring together investment opportunities, local and foreign private capital, and experienced management; and to stimulate the flow of private capital into productive investments in development countries. Projects selected by the IFC must hold out the prospect of earning a profit.