

The latest Senior Officials Consultations between Canada and Pakistan were held in February 1988, and the next consultations are scheduled for 1989. In 1989 Canada took a Thermal Power Mission and a Oil and Gas Mission to Pakistan. An incoming Defence Mission is slated for later this year and an outgoing Agriculture Mission will be held in early 1990.

Pakistan textiles, the largest import item, are subject to a restraint arrangement agreed to by both governments on October 2, 1986. This is an extension of the Multi-Fibre Agreement. Pakistan is eligible for General Preference Tariffs with Canada. A double-taxation treaty has been in place since 1972.

COMMERCE

1988 Canadian exports amounted to \$86.6 million, an increase of 5% over the previous year. The level of Canada's exports to Pakistan is relatively small compared to the country's annual import market of \$6.5 billion. In 1988 Canada imported \$78.5 million worth of goods from Pakistan, an increase of 28.7% from 1987. Approximately half of Canadian exports to Pakistan are financed by CIDA bilateral aid programs. Multilateral aid provided by the World Bank and its affiliates, the Asian Development Bank and several Middle East investment sources also make up a large portion of the rest of Canadian exports.

There is a surprisingly high level of awareness of Canadian capabilities in many sectors because of CIDA. CIDA has committed or disbursed more than \$1 billion over the last 35 years. In power generation and transmission, railways, and the oil and gas sectors Canadian companies and their capabilities are well known with a proven track record and in some cases even a base of spare-part sales to help sustain their marketing efforts.

Canada's main clients have traditionally been in the public sector, and several key government agencies have difficulty carrying out procurement decisions efficiently. As a result, major projects which are of interest to Canadian companies have often suffered from long and confusing delays. Prospects for significantly increasing Canadian export levels will be difficult to achieve unless we expand our sales into several new sectors simultaneously and encourage Canadian companies to investigate collaborative opportunities.

CANADIAN MARKETING OPPORTUNITIES

- 1) Power and Energy Equipment and Services
- 2) Defence Programs, Products and Services
- 3) Oil and Gas Products and Services
- 4) Agricultural Equipment, Food Products and Services

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