

countries are involved in negotiations concerning the future format of trade and transit relations between the two countries.

BILATERAL RELATIONS

Canada and Nepal established diplomatic relations in 1965. Canada's relations with Nepal are conducted through the Canadian High Commission in Delhi. Canadian aid to Nepal has been a major factor in our relations.

Nepalese exports to Canada are eligible for duty free entry under the Canadian GSP and are subject to more liberal rules of origin.

COMMERCE

In 1988 Canadian exports totalled \$3 million, down from 1987's figure of \$3.7 million but still higher than average. Imports for 1988 reached \$2 million, doubling 1987's figure.

Commercial opportunities are limited with project funding normally supplied by CIDA, the World Bank, or the Asian Development Bank.

Canadian companies have been active in Nepal in the areas of hydro power development, road construction, and aircraft sales and maintenance. Himalayan Power Consultants (HPC), a consortium of Canadian firms including Acres International, SNC, and Lavalin International, has recently been awarded the pre-feasibility study for the World Bank financed Karnali/Chisipani Power Project. Other Canadian companies have been involved in the construction of the new airport facility in Kathmandu which will be opened soon. N.J. Lea and Associates are involved with the construction of several roads. As well, Petro Canada International is carrying out a major survey for oil and gas.

CANADIAN MARKETING OPPORTUNITIES

There exist a potential for Canadian companies in the areas of technical assistance for major projects in water and energy, as well as consultancy and engineering services in general.

CONTACTS

Robert Logie
Commercial Counsellor
Canadian High Commission
P.O. Box 5208
New Delhi, Republic of India
Tel: (011-91-11) 60-8161
Telex: 031-72363 DMCN IN

R. Mailhot
Asia South Pacific Trade Development
External Affairs and International Trade
125 Sussex Drive
Ottawa, Ontario
K1A 0GT
Tel: (613) 996-5903
Telex: 053-3745
Fax: (613) 996-4309

Charles Parker
Canadian Cooperation Office
Kathmandu
Tel: (011-977) 416-911
Fax: (011-977) 415-391