

arrangements. Canada will be present with its own pavilion in 1993 and exporters wishing to exhibit should book space early. The Africa and Middle East Trade Development Division of External Affairs and International Trade Canada in Ottawa (telephone (613) 993-7029) is the contact point for this trade fair.

TELECOMMUNICATIONS

Background - The Ministry of Post, Telegraph and Telephone (MPTT), and its affiliate, the Telecommunication Company of Iran (TCI), are the ultimate decision making authorities responsible for planning and operating the telecommunication network of the country. Private networks belonging to other state affiliated organizations are generally operated under the supervision of TCI.

Transition from the analogue to the digital system and wider introduction of satellite networks are the major aims of the country's telecommunication plan. Fibre optic systems will increasingly be used as junctions or for long distance connections.

US \$2,400 million has been allocated in the Five Year Economic Development Plan (1990-1994) for the purchase of telecommunication equipment. Also, the equivalent of US \$730 million has been set aside to cover the local costs of buildings, installations, etc. It is estimated that US \$345 million was spent on telecommunication equipment in 1990 and this figure may rise to US \$1,400 million in 1995. The market in 1991 reached US \$483 million, with switching and transmission purchases accounting for more than half.

Competition and Canadian Presence - Competition from traditional suppliers from Germany, France and Japan is strong. Siemens is one of the co-founders of the Iranian Telecommunications Manufacturing Company (ITMC) established in 1961. Iran has a wide range of requirements for modernizing its telecommunication industry and is aware of the high standards of Canadian products. Iran is keen to find access to North American technology which has generally been denied since the early days of the 1979 Revolution, and is also anxious to diversify sources of supply.

SECONDARY INDUSTRY MACHINERY

Background - As a result of the reconstruction and development programmes following the end of the eight year Iran-Iraq war in 1989, Iran has become a very promising market for foreign suppliers of manufacturing machinery. Most of the manufacturing industry must be renovated if the country is going to meet the objectives set in its first Five Year Economic Development Plan (1990-94), including a GDP growth rate of 8.1 percent per annum. It is very difficult to guess the actual size of the market for manufacturing machinery since it covers a very wide range of products and reliable statistics on local production and imports are not available.