REPORT 4 88/07/27

QUARTERLY 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 : 346-BAGHDAD

005-COMM. & INFORM. EQP. & SERV

IRAQ

PLANNING: ACTIVITIES PROPOSED IN POST PLAN:

TELECOMMUNICATIONS (INC SPACE)

PURSUE MATTER OF SATELLITE GROUND RECEIVING STATION PROJECT WITH IRAGI OFFICIALS.

APPLY PRESSURE ON IRAGI AUTHORITIES CONCERNING OVERDUE LETTERS OF CREDIT PAYABLE BY ROFIDAIN BANK FOR PREVIOUS SALES TO IRAGI CLIENTS IN THIS SUB SECTOR.

THERE IS OUTSTANDING INVITATION FOR IRAGI MINISTER OF TRANSPORTA-TION & COMMUNICATIONS TO VISIT CANADA. VISIT EXPECTED TO TAKE PLACE IN FIRST HALF OF '87. IRAGIS PAYING OWN EXPENSES.

SUPPORT ACTIVITIES OF A MAJOR CDN SUPPLIER IN GREATER DEPTH FOLLOWING CLOSING OF THEIR BAGHDAD OFFICE.

TRACKING: ACTIVITIES UNDERTAKEN IN QUARTER:

QUARTER: 1 SUPPORT ACTIVITIES OF BELL CANADA INTERNATIONAL IN BAGHDAD IN REGARD TO MAJOR CONTRACT NEGOTIA-TIONS WITH IRAQI MINISTRY OF DEFENCE (MOD).

- QUARTER: 2 SUPPORT ACTIVITIES OF BELL CANADA INTERNATIONAL IN REGARD TO MAJOR CONTRACT NEGOTIATIONS WITH IRAGI MINISTRY OF DEFENCE (MOD).
- QUARTER: 3 CONTINUE SUPPORT FOR BELL CANADA INTERNATIONAL DURING FINAL STAGES OF ITS CONTRACT NEGUTIATIONS WITH IRAQI MINISTRY OF DEFENCE.
- QUARTER: 4 CONTINUE SUPPORT FOR BELL CANADA INTERNATIONAL DURING NEGOTIATIONS WITH IRAGI MINISTRY OF DEFENCE (MOD).

ANTICIPATED RESULTS:

HELP TO REVIVE PROJECT WORTH OVER CDN DOLLARS 20 MILLION WHICH IS ALSO BEING CONSIDERED FOR SUPPORT UNDER SECTION 31 GOVT FINANCING.

EXPEDITE PAYMENT OF OVER CDN 2 MILLION OWED AND/OR ENCOURAGE IRAGIS TO PRESENT PROPOSALS FOR RESCHEDULING/REPAYMENT TO CDN COMPANIES.

THERE IS HOPE THAT VISIT WILL HELP STIMULATE CONCLUSIVE CHOICE OF CANADIAN TECHNOLOGY AND TRAINING

PROVIDE CONTINUITY OF LOGISTICAL SUPPORT FOR THIS FIRM WHICH WAS FORCED TO CLOSE OFFICE IN IRAQ FOR FINANCIAL REASONS.

QUARTERLY RESULTS REPORTED:

IN THE ABSENCE OF BCI PERSONNEL IN BAGHDAD, HEL-PED TO MAINTAIN NEGOTIATIONS WITH MOD AND CENTRA -L BANK OF IRAG. OUR ASSISTANCE HELPED KEEP PRO-SPECTS OF SUCCESSFULLY CONCLUDING NEGOTIATIONS ALIVE.

-MAINTAINED CONTACT WITH MOD IN PREPARATION FOR FURTHER ROUND OF NEGOTIA'NS IN BAGHDAD. --PARTICI-PATED IN NEGOCIA'NS, THEREBY CONFIRMING CDN GOVT INTEREST IN THIS PROJECT. -HELPED RELAY CONTRACT MODIFICATIONS.

AS ACTIVE INTERMEDIARY, MISSION HELPED TO KEEP LINES OF COMMUNICATION BETWEEN BCI & MOD OPEN IN ORDER TO ENSURE THAT LONG-RUNNING NEGOTIA-TIONS CONTINUE TO THEIR SUCCESSFUL CONCLUSION.

ALTHOUGH CONDITIONS WERE RIPE FOR CONTRACT SIGNATURE IN JAN 88, IRAQI MOD WAS FORCED TO CANCEL BCI'S PROJECT AS FUNDS WERE NOT RECEIVED AS EXPECTED.