

Export and Investment Promotion Planning System

MISSION: 346 BAGHDAD

COUNTRY: 305 IRAQ

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- there are import restrictions which can present significant problems
- exports of certain products or services to this country are subject to Canadian export controls

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive financing from Canada
- difficulties in obtaining credit facilities in Canada
- other factor(s) described by the Trade Office as follows:

AVAILABILITY OF FINANCING IS KEY ISSUE IN THIS SECTOR. IF GENERAL MOTORS M.D. OF CANADA IS SUCCESSFUL IN ITS NEGOTIATIONS OVER FINANCING & BARTER, SALES WILL IMPROVE. OVERALL SUCCESS OF CDN EXPORTERS WILL ALSO DEPEND ON EXTENT OF IRAQI PRIVATIZATION & HARD

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs
- use of Canadian Government export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the existence of a bilateral economic/trade arrangement between Canada and this country

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: ASSISTANCE TO GENERAL MOTORS MARKET DEV. OF CDA LTD. IN THEIR DISCUSSIONS WITH IRAQI MINISTRY OF TRADE ON UMBRELLA AGREEMENT FOR FINANCING OF NEW SALES TO IRAQ INCLUDING OIL BARTER AS A FORM OF PAYMENT.

Results Expected: DEVELOP NEW SALES WHICH COULD REACH HUNDREDS OF MILLIONS OF DOLLARS.

Activity: ASSIST GMMD TO RECOVER APPROXIMATELY DLRS 8 MILLION STILL OWED TO ITS BANKERS FOR PREVIOUS SALES TO IRAQ.

Results Expected: BY RECOVERING OVERDUE PAYMENTS. HELP TO ENCOURAGE NEW FINANCING FOR GMMD SALES TO IRAQ BY PRIVATE COMMERCIAL INSTITUTIONS.

Activity: SUPPORT SNVI'S ACTIVITIES IN IRAQ & THEIR REQUEST FOR GOVERNMENT FINANCING FROM CANADA FOR THEIR CURRENT AND FUTURE SALES OF AMBULANCES.

Results Expected: COMPLETE CURRENT CONTRACT & ENHANCE PROSPECTS FOR ADDITIONAL SALE OF MORE THAN 500 AMBULANCES.