

Focus on North Africa

programs. Libya has long been a strong proponent of Canadian educational services, each year sending many students to Canada, where it maintains a full-time co-ordinator.

Environmental protection is another emerging sector. Morocco's focus is its degrading water resources, increased desertification and the rapid growth of pollution from combustion. In Tunisia, the establishment of the National Office of Sanitation (ONAS) has brought to the forefront new opportunities for sewage processing facilities and paper, plastic and glass recycling.

Energy dominates Libya's economy. It has the largest proven oil reserves in the African region and has been the site of the most promising new discoveries. Currently all eyes are on Algeria, where the local oil company Sonatrach (www.sonatrach.dz), the 11th largest in the world, is proceeding with a US\$20-billion investment to exploit recent discoveries. In Morocco, Canadian firms will find opportunities in operating power

stations and in the increased use of natural gas made possible by the Maghreb-Europe pipeline. Calgary-based Cabre Exploration is investing in oil and gas exploration in Morocco under three different permits.

Throughout the region, the mining sector has experienced the greatest impact by the shift towards privatization and foreign investment. Algeria and Mauritania have amended their mining codes to allow greater foreign participation — good news for Canadian mining companies and their suppliers. Both countries contain vast quantities of undeveloped resources, including gold, diamonds, copper and cobalt.

Morocco is a country with a long mining tradition and whose geological structure has a great potential for exploration. To attract investment, Morocco has launched an ambitious plan called the National Programme of the Geological Cartography (NPGC) for which the Canadian firm Geotterex Dighem has been awarded two phases of a large heli-

copter geophysical survey.

Firms providing related products and services also benefit: in Mauritania, General Motors of London and Consolequip Inc. of Montreal are the major suppliers of locomotives and rolling stock used to transfer iron ore from the desert to the Atlantic Ocean shore.

Substantial prospects are also cropping up in agri-food. As domestic consumption grows, Tunisian companies are looking to franchise or partner to increase their range of products. Packaging and the production of new secondary products (confectioneries, cereals) are niches worth investigating. Morocco's agri-food industries offer good opportunities for Canadian companies, particularly in food processing and storage, food conservation (refrigeration, packaging, ionization and radiation), processing and pricing systems, greenhouse techniques and all types of training.

Serving Canadian Business in North Africa

Algeria and Canada signed a Double Taxation Agreement in 1999, which should be ratified in the near future, and a similar agreement with Morocco has been in place since 1975. Morocco and Canada have also negotiated an agreement on social security that, when implemented, will allow people who have lived or worked in both Canada and Morocco to qualify for old age, retirement, disability or survivor pensions (www.brhc-drhc.gc.ca/isp).

The Export Development Corporation (www.edc.ca) helps Canadian exporters and investors do business throughout the region. In Algeria for example, EDC has two major lines of credit, with the Algerian Development Bank and with the oil company Sonatrach.

The Canada-Morocco Partnership Council advises Canada and Morocco on technological and economic partnerships and helps sensitize companies to prospective business opportunities (www.palantir.calthe-alliance and www.cgem.org).

The Canadian International Development Agency (www.acdi-cida.gc.ca) administers two programs in North Africa, the Private Sector Development Fund (FDSP), which seeks to enhance the effectiveness of the economy by encouraging the development of a more competitive, high-performance private sector, and an institution-strengthening program, known as PRICAL in Algeria, PRICAT in Tunisia and PRICAM in Morocco.