

Export and Investment Promotion Planning System

REPT: SYN-GEO 88/89 A. Post export program priorities

Region: MIDDLE EAST

Mission: 346 BAGHDAD

Market: 305 IRAQ

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year:

1. 008 TRANSPORT SYS, EQUIP, COMP, SERV.

REASONS: INCREASED ACTIVITY OF CDN FIRMS SUCH AS SNVI & GMMD IN IRAQ COMBINED WITH IMPROVED PROSPECTS FOR FINANCING SALES BODES WELL FOR ALL CDN FIRMS. -ADD'L HARD CURRENCY EARNINGS BY IRAQ IN 88/89 & GOVT CONTINUED

2. 009 FOREST PRODUCTS, EQUIP, SERVICES

REASONS: IRAQI DEMAND FOR NEWSPRINT IS PARTICULARLY FIRM DURING WARTIME AT ABOUT 25,000 M. T./ANNUM. DUE TO HIGH INT'L DEMAND & TIGHT SUPPLIES, IRAQIS ARE FORCED TO PAY CASH - THIS WILL IMPROVE PROSPECTS FOR CDN.

3. 005 COMM. & INFORM. EQP. & SERV

REASONS: IRAQ'S PLANS STILL CALL FOR IMPLMTN OF AMBITIOUS \$2BN PUBLIC SWITCHING TELE. NETWORK BY YEAR 2000; IMPROVED STATE OF IRAQI ECONOMY MAY ALLOW SOME ADD'L SPENDING IN THIS SECTOR DURING COMING YEAR. -IMMINENT

4. 003 GRAINS AND OILSEEDS

REASONS: DEMAND FOR CEREALS IN IRAQ WILL REMAIN HIGH UNTIL SUCH TIME AS DOMESTIC PROD'N EFFICIENCY IMPROVES MARKEDLY. -DUE TO OUR LTA (ENTERING 3RD YEAR) CDA WILL REMAIN MAJOR SUPPLIER, HOWEVER IRAQIS WILL APPLY

5. 011 OIL & GAS EQUIPMENT, SERVICES

REASONS: WITH SIGNING OF US\$1.45 BN IPSA II PIPELINE CONTRACT, CDN OIL PIPELINE EQPT & SRVCS EXPRTS SHLD BE IN A GOOD POSITION TO WORK WITH MAJOR CONTRACTORS. -IN EXPLORATION FIELD, IRAQIS CONTINUING EXPLORATION APACE

The most important current Canadian export sectors to this market are (based on actual export sales):

1. 003 GRAINS AND OILSEEDS
2. 008 TRANSPORT SYS, EQUIP, COMP, SERV.
3. 009 FOREST PRODUCTS, EQUIP, SERVICES
4. 010 MINE, METAL, MINERAL PROD & SRV