

the risks involved in penetrating a foreign market. PEMD encourages Canadian companies not previously involved in exporting to become exporters, and encourages existing Canadian exporters to enter new geographic markets and new product markets.

The program offers Canadian businesses financial assistance to undertake or participate in various types of trade promotion activities. All activities must be commercially oriented; that is, they must focus on generating export sales. These activities are categorized as either industry-initiated or government-planned.

**Government-Planned Activities.** Activities covered by PEMD are organized by External Affairs and International Trade Canada, and are planned up to 18 months in advance. Events are chosen after extensive consultation with industry, Canadian trade commissioners abroad, other departments and the provinces. Businesses are invited to participate and as much lead time as possible is given to allow potential participants to prepare. The two types of government-planned activities are trade missions and trade fairs.

**Government-Planned Trade Missions.** Trade missions seek to promote the sale of Canadian goods and services abroad, and gather market intelligence for Canada's industrial sectors. PEMD assistance covers both trade missions abroad and trips by foreign business persons and government officials to Canada or to other approved locations. PEMD participates in trade missions by contributing:

- management/administration of the event;
- official hospitality; and
- 100 per cent of return economy airfare and local ground transportation abroad.

In addition, the participants of incoming missions receive per diem living allowances (hotel, meals and incidentals, under Treasury Board regulations) and 100 per cent of economy airfares for domestic travel. First-class air travel may be approved if appropriate and necessary. Participants are required to pay all costs not mentioned above. In addition, participants may be required to pay a participation fee to help defray expenses.

**Government-Planned Trade Fairs.** Government-planned participation in recognized trade fairs abroad is usually limited to a specific industrial sector or type of product.