

REPORT 4
89/02/06

QUARTERLY PROGRESS REPORT OF EXPORT PROMOTION PROGRAM
AT MISSIONS ABROAD FOR FISCAL YEAR 88
FORECAST OF KEY ACTIVITIES AND ANTICIPATED RESULTS STATED IN MISSION'S ANNUAL PLAN

POST :633-SANTIAGO

009-FOREST PRODUCTS,EQUIP,SERVICES
CHILE

PLANNING: ACTIVITIES PROPOSED IN POST PLAN:

ANTICIPATED RESULTS:

PULP AND PAPER PRODUCTS

COMPLETE SOURCING OF LOCAL AGENTS AND CDN MANUFACTURERS FOR EQUIPMENT AND SPARE PART PULP AND PAPER SECTOR.

HAVE CDN CO. REPRESENTED IN CHILE IN TIME FOR THE MARKET EXPLOSION TO BE WITNESSED IN THE NEXT 3 YEARS.

PROMOTE CDN SERVICES AND EQUIPMENT FOR THE POTENTIAL CONSTRUCTIONS OF A MINI-PULP MILL (100 T/D) TO BE BUILT BY LOCAL INVESTOR

HAVE CDN SOURCES AND EQUIPMENT CONSIDERED BY LOCAL GROUP.

EQUIPMENT AND MACHINERY

ESTABLISHMENT OF A CDN FORESTRY EQUIPMENT AND SERVICES CENTER IN CONCEPCION. CENTER WOULD ALSO PROVIDE COUNSELLING TO LOCAL COYS ON EQPT NEEDED. CIDA INC TO FINANCE.

PARTICIPATION OF AT LEAST 20 CDN COYS IN THIS OPERATION. EXPORT SALES EXPECTED TO DOUBLE WITHIN 3 YEARS.

LOBBYING OF THE TWO MOST IMPORTANT FORESTRY COMPANIES. THEY HAVE ANNOUNCED CONSTRUCTION OF 2 NEW PULP MILLS AND LOGGING AND SAW-MILLING WILL BE SPIN OFF OPERATIONS.

EXPORT AT LEAST 15M OF EQUIPMENT OVER NEXT 2 YEARS.

INTRODUCE CONCEPT OF PORTABLE SAWMILL TO MEDIUM SIZED OPERATIONS. FIRST SAWMILL TO BE READY FOR MARKET BY SECOND QUARTER OF 88.

SALE OF 3 TO 5 SAWMILLS BY END OF FISCAL YEAR 88/89.

TRACKING: ACTIVITIES UNDERTAKEN IN QUARTER:

QUARTERLY RESULTS REPORTED:

QUARTER: 1 PREPARATION OF OUR PARTICIPATION IN SILVILOG IN QUEBEC. - ESTABLISHMENT OF FOREST CENTER IN CONCEPCION. - PROMOTE SAWMILLING EQUIPMENT.

17 COS SELECTED & WOOD EXPO 88 ADDED TO THE SCHEDULE OF THIS INCOMING MISSION. - PREPARED MISSION OF CDN CONSULTANT SIRTEC & SUPPORTED THEIR PROPOSAL TO CIDA INC.WHICH HAS AGREED TO FINANCE STUDY. - PORTABLE SAWMILL MFR.WILL PART.

QUARTER: 1 PROMOTE CANADIAN COMPANIES TO CELCO ARAUCO AND CMPC, THE 2 CHILEAN PRIVATE COS WHO WILL BUILD 2 PULP PLANTS OF US 500 M EACH.

WE HAVE CONSTANTLY MET & ADVISED THE CDN COS AS WELL AS THE CHILEAN COS. 1 CDN CO WAS SELECTED FOR THE CELCO ARAUCO PROJECT FOR DETAILED ENGINEERING(USA 20M).ANOTHER IS ON SHORT LIST ON CMPC PROJECT.

QUARTER: 2 Participa'n in Demo Silvilog in Que. & Wood Expo in Vncvr. Promotional Sawmilling & harvesting eqpt. Promo'n of Cdn cos to Celco Arauco and CMPC who each are going to build a US\$500 mn pulp and paper plant.

22 Chileans attended. Sales already reported. H.A. Simons selected as consultant for both mills.

QUARTER: 3 -----

QUARTER: 4 -----