

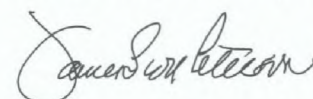
## Discover the new CanadExport

For 23 years, *CanadExport* has worked to provide Canadian businesses of all sizes with the export information and market intelligence they need to compete and prosper in the global marketplace. I am pleased to introduce the new *CanadExport*—bringing you the same reliable information, news and advice, with a fresh new look.

The commerce strategy in the Government's recently-released *International Policy Statement* includes the key priorities of advancing Canada's relationships internationally, providing the right services to business and making Canada a magnet for talent and investment. *CanadExport* aims to ensure that these priorities are reflected in each issue: from providing information on exporting to the U.S.—our number-one trading relationship—to offering leads on market opportunities abroad; with established trading partners such as Mexico, Europe and Japan, as well as the new economic powerhouses of Brazil, China and India. Recent features on the Canada Trade Missions to both China and India demonstrate how the publication supports International Trade Canada's Emerging Markets Strategy. It also covers investment-related news on joint collaborations, technology partnerships and multilateral business activities.

Exports account for almost 40% of Canada's economy, and are linked to one-quarter of all Canadian jobs. Last year, our trade surplus was \$56.1 billion, up from \$47.3 billion in 2003. Our exports reached record levels in 2004—all seven of our major commodity export groupings posted increases. *CanadExport* remains committed to helping Canadian exporters compete globally so that Canada—the best-performing economy in the G7—can see these trends continue.

With this, I invite you to explore the new *CanadExport*, with features in this issue on exporting to the U.S., the Kazakhstan offshore industry and a recent Canada-Germany investment agreement, as well as our regular trade fair calendar. I also encourage you to visit *CanadExport* on-line at [www.canadexport.gc.ca](http://www.canadexport.gc.ca), for even more articles and the most up-to-date information.



The Honourable James Scott Peterson  
Minister of International Trade

### Exporting to the U.S. - from page 1

Another option available to experienced exporters is NEBS Plus, a mission where participants visit a trade show in their sector and meet with potential partners and buyers. NEBS Plus missions are organized through International Trade Canada's Regional Offices, located in provincial capitals across the country.

Because NEBS provides the foundations for successful meetings with buyers, Campbell encourages companies to participate in NEBS before NEBS Plus. "A lot of new exporters want to put the cart before the horse," Campbell explains. "They go to a trade show to meet potential buyers but can't quote a price for their product because they don't know what their distribution costs are going to be."

**For more information** on NEBS missions in Ontario, contact Ken Campbell, Ontario Exports Inc., toll-free: 1 877 468-7233, e-mail: [ken.campbell@edt.gov.on.ca](mailto:ken.campbell@edt.gov.on.ca), Web site: [www.ontarioexportsinc.com](http://www.ontarioexportsinc.com). Businesses in other provinces should contact their International Trade Canada Regional Office, Web site: [www.infoexport.gc.ca/regions](http://www.infoexport.gc.ca/regions).

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## Kazakhstan: adrift in a sea of wealth and opportunity

When people think of Kazakhstan, they envision a landlocked country of mountains, steppes, rivers and desert terrain. What is often overlooked is that Kazakhstan actually has a seacoast—and a lot of unexplored potential. The country's western region is bordered by the Caspian Sea, an immense body of salt water roughly the size of Europe's North Sea. While Kazakhstan shares the coastline with Russia, Azerbaijan, Iran and Turkmenistan, it maintains the lion's share.

Kazakhstan is a country rich in resources; huge mineral deposits, a growing agricultural sector and a mature onshore oil & gas industry have given Kazakhstan an economic leg up on its Central Asian neighbours. Recent discoveries of offshore oil in Kazakhstan's sector of the Caspian Sea are estimated to hold reserves of between 60 and 70 billion barrels. When the offshore is fully developed in 2015, combined oil production will elevate Kazakhstan to major producer status. Canada's offshore service and supply companies should take note: even though the industry is in its infancy, the race is on amongst expatriate firms posturing for market shares in Kazakhstan's offshore.

### Untapped reserves

The Kashagan field, with recoverable reserves of approximately 15 billion barrels, is the only offshore field currently being developed. First oil is expected in 2008. Up to 120 additional offshore blocks are expected to be auctioned in late 2005 or early 2006. The resulting activity from further exploration, delineation and presumably development of these new fields will generate opportunities of monumental proportion for offshore oil & gas service and supply providers. With respect to offshore technology development and acquisition, Kazakhstan has just barely glimpsed the learning curve.

That being said, opportunities abound for providers in the following offshore industrial sub-sectors:

- port and harbour infrastructure design and construction;
- mechanical, marine electrical, and hydraulic repair and maintenance;
- shipbuilding, ship repair, and maintenance infrastructure and services;
- metal fabrication such as welding, pipefitting, and anti-corrosion protection;
- environmental assessment, monitoring, and remediation;
- occupational health and safety;
- marine navigation and engineering training services;
- sub-sea drilling equipment and support services; and
- engineering design and seabed geophysical profiling.



The seaport city of Aktau is poised to become the hub for Kazakhstan's burgeoning offshore oil & gas industry. Aktau is a bustling harbour with modern wharfage and dockside infrastructure that includes a rail terminal and oil tanker loading facilities. Authorities have confirmed that the majority of offshore infrastructure and support services will be centred in and around Aktau.

### Canada takes note

With this market intelligence in mind, a trade mission from the province of Newfoundland and Labrador made a first-time visit to Kazakhstan this past April. The mission consisted of nine representatives from seven offshore oil and gas service and supply companies and was organized by the Canadian Embassy in Almaty and International Trade Canada's St. John's Regional Office. The objective was to assess market opportunities in Kazakhstan's offshore oil & gas industry and to meet with potential clients and joint venture partners. Meanwhile, many Canadian companies have already established a firm foothold in Kazakhstan.

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