Mission: BELGRADE

Country: BULGARIA

ada exported about $25.7 million to Bulgaria, with sales of zinc accounting for 83% of the total. In the same year, Canada imported about $12 million of Bulgarian goods, primarily clothing and food products.

For the coming year, we will begin to see the first deliveries of Canadian meat processing equipment, a deal worth some $25 million over 2 years. After three years of marketing, the first Canadian recycling machinery will arrive in Bulgaria shortly. There are also excellent prospects for a Canadian firm to win a $300 million turnkey pulp mill project. The 1989-90 year will mark the best year to date for exports of Canadian manufactured goods, and the beginning of our diversification from primarily one-item sales ie.grains or zinc. If the Bulgarian economy does indeed "loosen up", there may be even brighter prospects for Canadian sales to a much broader range of Bulgarian customers.

In short, this is a year of potentially major change in the Bulgarian economy. The system will have to adjust to deal with private business, foreign investment, financing of hard currency debt, reorganization of the agricultural work force, etc.,etc. As the dust settles, Canadian business may be in a position to capitalize on the new conditions created to win a larger share of the Bulgarian market.