

Strategy to Increase IFI Procurement Gets Nod

The government has accepted a proposed strategy to win Canadian business more capital projects financed by International Financial Institutions (IFIs) such as the World Bank and regional development banks.

Foreign Affairs Minister André Ouellet and International Trade Minister Roy MacLaren announced the government had accepted the **Final Report of the Interdepartmental Task Force on IFI Procurement** on June 14, during the Annual Consultations between the Canadian Exporters' Association and the Canadian International Development Agency.

The task force's report contains 25 recommendations outlining a three-year program to provide more government support for Canadian firms pursuing capital projects financed by IFIs abroad.

IFIs currently supply more than US\$40 billion each year for such projects, but recent studies suggest that Canadian firms do not pursue and win as many contracts as their counterparts in the Organization for Economic Cooperation and Development (OECD).

The task force's recommendations will be carried out by an Interdepartmental Capital Projects Action Team involving the Department of Foreign Affairs and International Trade (DFAIT), the Canadian International Development Agency, Industry Canada, the Department of Finance, the Export Development Corporation (EDC) and the Canadian Commercial Corporation (CCC).

Under the task force's strategy, government programs will focus on specific IFI projects in five key sectors in several Asian and Latin American countries. Those countries and the five sectors targeted — energy, environment, telecommunications, transportation and health — stand to offer the greatest potential returns.

The new plan recommends

coordinating the various fragmented government programs currently in place so all departments and agencies work towards a common goal of increasing Canadian IFI procurement.

Similarly, existing financial instruments, such as trust funds and co-financing, will be linked and geared towards the priority countries and sectors specified. This strategy does not require new resources, simply the reallocation of existing funds.

The action program, to be implemented in partnership with the private sector, will also seek to make basic IFI information and project intelligence more easily accessible to Canadian business.

In addition, the task force recommends establishing a network of national IFI specialists which will work with provincial governments to keep the private sector informed of project opportunities.

The Task Force on IFI Procurement was established in April 1994, after studies indicated that the government could play a more active role in improving Canadian IFI procurement performance. By accepting the task force's report, the Canadian government has taken an important step towards doing just that.

Copies of the report may be ordered by calling DFAIT's InfoCentre, Ottawa at 1-800-267-8376, (Ottawa area: 944-400).

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attractively packaged (thus selling themselves); and the lower Canadian dollar, vis-a-vis, the U.S., provides attractive profit margins.

Assistance

Since most very large retail vendors prefer to deal with importers/distributors, the Embassy maintains an active list of representatives that have expressed an interest in Canadian products. Interested Canadian firms should contact the Embassy (see address end of article) and be prepared to forward samples.

Of assistance, as well, is a joint promotion program, **Agri-food Trade 2000**, recently announced by Foreign Affairs and International Trade and Agriculture and Agri-Food Canada. The program objective is to vastly increase the sale abroad of Canadian value-added food products.

Using this initiative and other promotional devices, the Embassy will mount several table-top shows (see Environment Show, Colombia article, page 4) in the major cities of Colombia. Samples definitely will be required but interested companies first should describe their products to the Embassy which can then advise on regulations regarding packaging or labelling.

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