REPORT 4 88/10/21

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:

PULP AND PAPER PRODUCTS

COMPLETE SOURCING OF LOCAL AGENTS AND CDN MANUFACTURERS FOR EQUI-PMENT AND SPARE PART PULP AND PAPER SECTOR.

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

EQUIPMENT AND MACHINERY

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

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.

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

TRACKING: ACTIVITIES UNDERTAKEN IN QUARTER:

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

QUARTER: 2 -----

QUARTER: 3 -----

QUARTER: 4 -----

HICH COMERNED PROBANE RESORDES DURING THE REPORTING PERIOD.

ANTELLY PROCEEDS REPORT OF EXPORT PROMUTION PROGRAM

ANTICIPATED RESULTS:

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

HAVE CDN SOURCES AND EQUIPMENT CONSIDERED BY LOCAL GROUP.

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

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

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

QUARTERLY RESULTS REPORTED:

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 AHREED TO FINANCE STUDY. - PORTABLE SAWMILL MFR. WILL PART.

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 ENGI-NEERING(USA 20M). ANOTHER IS ON SHORT LIST ON CMPC PROJECT.