

However, with the Nouvelle Réglementation Acoustique (new noise regulations), which came into force on January 1, 1996, applicable to all new housing, and the new decrees issued in relation to the noise law of December 31, 1992, annual market growth is estimated at approximately 4%. Industry professionals remain cautious, however, because the market is closely connected with developments in the construction industry.

Through regulations promoting the development of engineering activities, the noise control sector could yield market share to Canadian engineering companies prepared to work with local partners. Acoustical engineering studies, for example, are an expanding field.

The French market has no specific trade barriers, and the weak dollar is helping to stimulate imports from Canada. Foreign investment is welcomed by French economic development agencies and can be eligible for subsidies or other incentives. National and regional authorities also strongly encourage scientific co-operation and strategic alliances between French and foreign companies.

## B. Constraints

Since French demand comes mainly from the public sector, where procurement procedures are extremely complex, it is generally preferable for a Canadian company to consider associating with a local company that already has a strong presence in the market. Other ways of gaining a foothold in the market include establishing a local base, purchasing shares in or acquiring existing companies, or setting up a subsidiary.

With respect to distribution agreements, many French importers are prepared to represent a product line as long as they have exclusivity in a specific geographic area.

## C. Five-Year Objectives

**Objective: Initiating commercial and industrial co-operation with the *Agence de l'Environnement et de la Maîtrise de l'Énergie* (ADEME) — the environmental and energy control agency — for rehabilitation of sites and contaminated soil, involving the acquisition of a 5% market share in this sector by Canadian companies.**

This industry sector is the only one in which ADEME has its own expertise and can intervene directly in site restoration. ADEME operates on these sites in partnership with firms specializing in various site and contaminated soil rehabilitation processes. Given the strong market potential for soil clean-up in France and the Canadian supply of high technology, Canadian firms could develop partnerships and strategic alliances with French firms in the sector through ADEME.

The site clean-up market was estimated at \$790 million in 1994, based on 500 sites cleaned up over five years, at the rate of \$7.9 million per site. The most promising markets for site clean-up companies are biomediation techniques and the combination of techniques from several existing processes into a single system. The main players with strong potential are the audit, diagnostic and clean-up sectors. Through trade promotion efforts, we are expecting to capture a 5% market share in this area.

