

RPTB2 TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

89/90 EXPORT PROMOTION PRIORITIES

Mission: CATRO

Country: ARAB REPUBLIC OF EGYPT

The Mission selected the following sectors as priority areas for export promotion activities for the coming fiscal year for the stated reasons:

1. POWER & ENERGY EQUIP. & SERV.
GOVT. PRIORITY TO BOOST GENERATION CAPACITY WITH OVER \$1 BN IN NEW MULTILATERAL FINANCING. CDN CAPABILITIES/REPUTATION WILL BE EVEN BETTER ESTABLISHED IN EXECUTING ELECTRICAL PROJS IN 89. MEDIUM-TERM PROSPECT FOR CANDU IS ENHANCED BY CURRENT AFCL STUDY OF OFFSET CAPABILITIES.
2. FOREST PRODUCTS, EQUIP. SERVICES
MORE CDN EXPORTERS ARE TAKING ADVANTAGE OF COMPETITIVENESS TO SECURE EXPANDED MKT SHARE. SELLERS MKTS FOR LUMBER, NEWSPRINT AND FINE PAPER AND IMPORTERS ARE CASH (HEALTHY) PAPERS. CDN EGYPTIAN DIALOGUE TO ESTABLISH LARGER REGIONAL SALES VOLUMES THROUGH DUTY FOR WAREHOUSES.
3. GRAINS AND OILSEEDS
CANOLA ON VERGE OF GDF APPROVAL FOR BULK OIL IMPORT & LOCAL COMMERCIAL CULTIVATION. CANOLA SHLD REPLACE (RECENTLY BANNED) SOYBEAN & SHARES OF OTHER MORE EXPENSIVE FOREIGN OIL IMPORTS WORTH \$110 MN. CANOLA MEAL IS ONLY FODDER AVAILABLE IN SUMMER WHILE BARLEY COULD REPLACE CORN IN SHORT SUPPLY.
4. AGRI & FOOD PRODUCTS & SERVICE
CDN DAIRY BREEDING STOCK AND TOBACCO ARE PREFERRED IF PRIVATE FINANCING CAN BE SECURED. CTDA AND IBRD WILL FINANCE MAJOR GRAIN AND FERTILIZER STORAGE FACILITIES. POTASH FERTILIZER SHOULD BECOME AVAILABLE IN 89. AS ONLY TYPE IMPORTED.
5. OIL & GAS EQUIPMENT, SERVICES
SELF-FINANCING GOVT & FOREIGN PETROLEUM COYS COMMITTED TO 1989 \$ 1 BN EXPANSION OF OIL PRODUCTION EXPORT. SIMILAR COMMITMENT TO DEVELOP GAS RESOURCES TO REPLACE DOMESTIC OIL AND FOR NEW PETROCHEM PROJECT. CDN REPUTATION FOR SPECIALIZED EXPERTISE IS WELL RESPECTED BY EGYPTIAN AND FOREIGN PETROLEUM COYS.
6. TRANSPORT SYS. EQUIP. COMP. SERV.
DASH 8 AND CL715 IDEAL FOR SELF FINANCING EGYPTAIR AND MILITARY FLEET EXPANSION REQUIREMENTS. IBRD PROPOSING A \$150 MILLION RAILWAY EQUIPMENT AND SYSTEM UPGRADE.
CDN AUTOPARTS PROVEN COMPETITIVE IN M.E.

The most important current Canadian export sectors to this market are (based on actual export sales):

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| 1. FOREST PRODUCTS, EQUIP. SERVICES | 4. MINF. METAL, MINERAL PROD & SRV |
| 2. POWER & ENERGY EQUIP. & SERV. | 5. GRAINS AND OILSEEDS |
| 3. TRANSPORT SYS. EQUIP. COMP. SERV. | 6. ADVANCED TECH. PROD. & SERV |