

activity is expected to generate from 10,000 to 20,000 new jobs and annual foreign exchange earnings of \$ US 1.8 billion.

Canadian companies related to the gold industry are very well perceived in Venezuela, and have been successful in the sale of mining equipment, consulting engineering and recently in the formation of joint ventures in both drilling and mining companies.

Selling goods and service to the mining sector in Venezuela, requires a prolonged marketing effort and generally cannot be successful without frequent trips to the market.

A company interested in selling to this market, should first undertake a preliminary market study. If the study shows good potential, a local agent, representative or distributor should be considered to help organize a marketing and sales plan and provide concerted and consistent local presence. Depending on the particular product or service characteristics, the company may also wish to consider local fabrication either through joint venturing or licensing or setting up a local service capability.

We strongly encourage Canadian companies to look closely at this market, it has great potential and opportunities.

Venezuela gold industry is starting a boom period, and there is no question that Canadian industry is playing and will continue to play a major role in its development.

The Commercial Section of the Canadian Embassy in Caracas can provide information on many of the questions a new company to Venezuela may have. The Embassy has good knowledge of the main players in the Venezuelan gold mining industry, agents and representatives, engineering firms, concessionaries, owners, contractors, consultants, local manufacturers, financing possibilities etc.

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See appendix for a directory of Venezuelan contacts in the mining sector.

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