

minimize damage to the environment, these sites are becoming increasingly controversial as liquid seeps into the waterbed. Israel needs more effective disposal techniques and consulting services. Two large municipalities have recently issued tenders for Post Consumer Waste (PCW) incinerators.

Recycling - Very little recycling is being done at this stage as it is felt that recycling is not feasible in Israel. Once the Garbage Separation Law is passed, recycling of PCW will become economically viable. Opportunities exist for consulting services and recycling equipment (e.g. separators, shredders).

The cumulative three year export potential for Canadian products in this sector is valued at US\$30 - 60 million. Most foreign companies bidding on local tenders are represented locally. Dealings with local government and/or municipal authorities is laborious and slow.

Opportunities exist for consulting services as the Israeli government needs assistance in the design and implementation of environmental legislation. In addition, many infrastructure projects have been budgeted for and many of these, in fields such as sewage treatment, port development, etc. will require environmental impact studies. Furthermore, the municipalities and local councils will increasingly be called upon to share the burden of water supply, sewage treatment, disposal of toxic wastes, etc. and they will require outside assistance as they do not, in most cases, have in-house capabilities.

Opportunities also exist in the area of technology transfer. Several large Israeli companies have recently decided to allocate resources for the development of so called environment friendly products and these companies have expressed interest in joint ventures and transfer of technology with Canadian partners.

Financing - Israel is not eligible for World Bank financing or African Development Bank financing. However, EDC is on cover and willing to finance qualifying projects. In the context of the current peace process, other sources of multilateral financing might become available for projects on a regional scale.

COMPUTER HARDWARE AND SOFTWARE

The local market for software is approximately \$400M per year and is growing at 8% annually. Israeli software exports have increased from US\$5 million to US\$110 million in the seven years between 1984 and 1991, a twenty-two fold increase. Estimates for 1992 export figures call for sales of over US\$135 million.

The defence sector, not surprisingly, continues to be a major consumer of software, especially in real time applications, avionics packages, communications systems, and command/control applications in each of these fields. In the commercial sector, most