

- **Telecommunications:** Deregulation of the telecommunications industry and the creation of a new state agency, Telecom Corporation, have resulted in new market potential for telecommunications equipment. In addition, Bell Canada is a major shareholder and operating partner in New Zealand's private-sector second carrier, Clear Communications. Modernization of the previous network, and expansion of Clear's second network will create opportunities for equipment and services, particularly in support of computerized billing systems, regional maintenance centres, and automatic telephone exchanges.

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Africa and the Middle East

Introduction

The markets in Africa and the Middle East are sometimes overlooked by Canadian businesses seeking new export markets. Several factors are responsible, including language differences, long distances and lack of familiarity with local cultures.

Although access to these countries is undeniably more difficult than to other more familiar markets, an effective penetration strategy and a sustained effort can lead to profitable business opportunities and an important return on investment. The oil and gas, telecommunications/high-technology, transportation and agri-food sectors currently offer the best business prospects. Nevertheless, other sectors such as services (e.g. education, banking/financial), environment, mining and energy are also expected to grow as a number of African countries move toward greater privatization and trade liberalization, and the benefits of the Middle East peace process become apparent.

In 1993, Canadian merchandise exports to the region totalled some \$2.5 billion, to which can be added an estimated \$1 billion in services.

Africa

Business Environment

In 1993, Canada's merchandise exports to Africa totalled \$1.2 billion. The range of Canada's exports varies considerably, from such basic products as wheat, timber and minerals to high-technology products such as telephone equipment, flight simulators, helicopters, as well as mining, oil, and equipment for generation and transportation of electricity. Africa is now an important market for Canadian service firms in engineering, management, education, health-care, informatics, and financial and banking services, to name only a few. In 1993, the estimated value of