

A third license for private operators of digital cellular networks called E 2 is expected to be granted in the near future. The leading candidate for this license seems to be VIAG and its partner BT.

In 1996 the use of paging networks grew sharply. There are now approximately one million users of paging services, 200 000 more than in 1995. Two private operators were licensed in 1995, Miniruf and Deutsche Funkruf Gesellschaft. Licenses for the new digital paging network ERMES were granted lately to three private operators (Miniruf, deutsche Funkruf Gesellschaft and Mobile Info Dienste) and to T-Mobil (Deutsche Telekom).

Germany is the leading European country in integrated services digital network (ISDN), the fastest growing sector of Deutsche Telekom with approximately 1.5 million users.

Major companies

The following firms are equipment manufacturers who would welcome cooperation offers from Canada: Siemens, Alcatel, SEL, Bosch, BTW, Rohde & Schwarz, Krone, Hagenuk. The following firms are the major providers of communications services:

Deutsche Telekom, Mannesmann Mobilfunk, E-Plus Mobilfunk.

Major candidates for alliances for a nation-wide telephone network: Mannesmann/DBKOM/AT&T, Vebacom/RWE/ Cable & Wireless, VIAG/BT. Teleglobe has landed the transatlantic CANTAT-3 cable on the Island of Sylt in the North Sea, north-west of Hamburg. It is actively seeking new partners and clients to expand its business volume.

Market opportunities and constraints

The monopoly situation, standards and equipment approval procedures create mighty obstacles for foreign firms wishing to do business in Germany. Yet, with deregulation, and the increasingly liberal purchasing policy of Deutsche Telekom, opportunities for Canadian companies have already improved. Suppliers interested in entering the deregulated market must contact the private operators. They should also contact Deutsche Telekom to present their products and capabilities. All terminal equipment still requires the approval of the German authorities. There is already a limited but increasing array of EU standards. We recommend that firms contact the BAPT (Federal Office for Post and Telecommunication) about regulations and the BZT (Federal Office for Telecommunication Approvals) about the actual approval procedure.

The EU is a party to the Declaration on Trade in Information Technologies signed by the WTO members in December 1996. Consequently, between 1997 and 2000, EU tariffs on a wide range of information technology products, from

computers to telephone handsets, will be eliminated, thus creating new opportunities for Canadian exporters to Germany.

Cooperation with a German partner is advisable. The local company should open doors and provide the necessary technical support. It could be either a manufacturing company or a large distributor. Recent cooperation agreements between Nortel and DASA, and Newbridge and Siemens emphasize the strength that alliances bring to the partners.

Promising areas include: Networking infrastructure equipment and solutions, participation as network operators, data communication equipment, value added service solutions, mobile radio terminal equipment and networking equipment telecommunication software, multimedia solutions, telecommunication hard and software solutions for the PC, CTI solutions.

" Deregulation and liberal purchasing policies will create opportunities "

Objectives for next five years

Over the next five years, the Embassy plans to:

- to support strategic partnerships and cooperation with German companies
- to build up awareness of Canadian capabilities through the business and technical press
- to double export sales (now at \$200 million) by Canadian telecommunications companies including network operators and equipment manufacturers.

Activities

CeBIT	March 1998, Hannover World largest computer fair
SYSTEMS	27-31 October, 1997, Munich Fair for information and telecommunications technologies
- OnLine	February, every year, Hamburg Specialized fair and congress for telecommunication.

Machinery

Industrial machinery

Overview

According to statistics, the Canadian machinery sector's major exports to Germany are pumps, compressors and office machines. Niche market products however are the mainstay of our exports. Canadian companies have demonstrated their ability to export everything from moulds for German plastics manufacturers to parts for printing equipment. German manufacturers are actively seeking Canadian companies, especially those with a sales network across North America