

Under the terms of a 1985 agreement, almost all Canadian equipment with DOC approval is automatically approved after a very short waiting period (7 days).

Specific opportunities for the Canadian telecommunications industry in Israel exist primarily in the following four fields: 1) Transmission for VHF and UHF television systems (PAL standard), cable TV, AM medium and short-wave radio; 2) Two-way radio and satellite communications; 3) Telephony; 4) Cellular mobile telephones.

TELEVISION, CABLE TV AND RADIO

Until recently, Israel had only one TV channel which was government-run plus an experimental channel. New legislation call for an additional channel to be set up, and the experimental channel (Channel 2), which began functioning in 1991, is to become a commercial channel. A recent tender calling for bids to operate Israel's Channel 2 was unsuccessful as no bids were submitted (possibly as a result of an understanding among the four main contenders, who may have been unhappy with the terms), but it is likely that another tender with revised terms will be tendered in the near future. There are also plans for another Hebrew-only channel, which would operate 18 hours daily, but this has been delayed due to budgetary constraints. Each channel will have to acquire up to 39 small (1-5kW) transmitters. Cable TV with 30-channel capacity is now being installed throughout the country and it is estimated that there will be two million subscribers within three years. There are also solid plans to enhance the quality and increase the broadcasting hours of Israel FM radio, as well as to offer more programs. The installation of 16 new transmitters for each program is planned. In addition, a new commercial radio program similar to the new TV commercial station was approved last year and it will require a similar number of transmitters. Israel's AM broadcasting system equipment is both antiquated and inefficient. The eleven 100KW transmitters in use today, which are more than 13 years old, will be replaced gradually. For short wave transmission, Israel recently purchased two new 500KW transmitters but still needs five more to replace the old Brown Boveri and Philips ones (250KW) currently in use.

TWO-WAY RADIO AND SATELLITE COMMUNICATIONS

Two-way radios in Israel operate on the same systems and frequency allocations as in Canada and the USA. The number of two-way radios has doubled every five years since they were introduced. Today there are about 310,000 two-way radios, cellular telephones and pagers, with an annual growth rate of 15%-25% (1991 rate: 25%). Motorola Israel controls 80% of the market with the other 20% divided between European and Japanese companies. No Canadian companies are presently in the market, to the best of our knowledge.

There is a large and growing demand for satellite receiving stations, and for V-SAT's (Very Small Aperture Satellite) communications for data transmissions. Israel is a member of both Intelsat and Inmarsat and receives all DBS transmissions aimed at Europe, as well as those from the Intersputnik and Raduga Soviet satellite systems.