

- Ensure that market information and market intelligence contains clear information on quality and standards requirements, and encourage Canadian companies to meet those standards.
- Work with private sector associations and institutions to develop an integrated quality approach to enhancing Canadian competitiveness.

IV Make Government Support More Co-ordinated and Targeted

Increase Co-ordination

The ITBP co-ordinates the international market strategies and activities of the federal government. However, co-ordination on market development issues between the federal government and provincial/territorial governments is also crucial. To this end, the two levels of government have been working together on four key issues: co-ordination of international market development, sourcing, export education and overseas representation. The goals of this improved co-ordination are:

- to provide more efficient delivery of trade, technology and investment programs, while maximizing savings of financial resources and tax dollars;
- to involve provincial and territorial governments in formulating Canada's international market development strategies;
- to develop clearer definitions of the roles of each level of government; and
- to involve the provincial/territorial governments in a more regular, consistent and modernized sourcing system.

Target Market Development Support

Federal trade policy has put a great deal of emphasis on increasing access to the North American market through the FTA and the NAFTA. The United States continues to be the priority market for federal international business development activities. Its business potential is critical for the majority of new exporters and for specialized high-technology and services companies in need of strategic alliances. The Government's focus for this market will be on exporter education, new exporters, niche market activities, leading-edge technology and the promotion of strategic alliances through company matching and profiling.

Our future also lies further south, in Latin America. By the year 2000, Latin America and the Caribbean region is expected to be a market of 600 million people with purchasing power of U.S.\$1 trillion. The NAFTA will help position Canada to take fuller advantage of the Mexican market. Programs under Access North America, along with an expanded Canadian presence in Mexico, are aimed at introducing the widest number of Canadian small and medium-sized enterprises to the business climate of Mexico, targeting in particular the automotive parts, oil and gas, agri-food, environment and services sectors. Market reforms and economic liberalization in South America have also resulted in rapidly expanding market opportunities for Canadian business and will open the markets for new technologies and suppliers.

With the world's fastest growing economies, the Asia-Pacific region offers significant opportunities for Canadian companies, particularly in the information technologies, transportation, agri-food, energy and environment sectors. The swift pace of change in these countries, combined with language and cultural barriers, high market entry costs and, in some cases, complex bureaucracies require a long-term strategy and commitment. Changes in the Japanese market, particularly increasing demand for value-added imports and stagnating demand for imports of resource products, have led to the Government's Action Plan for Japan, which is aimed at encouraging Canadian industry to adapt to these new market conditions. Canadian representatives abroad, through their local knowledge, contacts and government status, can help Canadian companies meet the challenges of these markets.

The increasingly integrated Europe has meant the lowering of some barriers for Canadian companies, while new ones for the region as a whole are raised. This makes joint ventures and alliances more important as strategies to deal with trade barriers. Government efforts will focus on making new exporters aware of the strategic importance of a creative approach to the market and on helping them implement the most appropriate export strategy. Markets of priority for the region include advanced technology and information technology, defence products and space systems, value-added agri-food and fish products, environment, aerospace and transportation.

With a highly literate, educated population of 400 million and a rich resource base, Central and Eastern Europe and the former Soviet Union stand as an incremental market of immense long-term potential. Particular Canadian business opportunities are in energy, telecommunications, mining, forestry, agri-food and services. Market development in this region is an expensive proposition. To meet the particular financial, political and marketing challenges, the Government's priority is to help Canadian companies establish successful business linkages with local partners.

Although, at present, commodities dominate Canada's exports to the Middle East and North Africa, there are growing markets for manufactured goods and services, and for technology transfers and joint ventures. Rapid population growth, economic liberalization and infrastructure development in many North African countries offer new opportunities and challenges to Canadian companies. Sectors of particular importance are energy (primarily oil and gas), defence, transportation and telecommunication equipment, agri-food, and oil and gas and financial services. Government support includes stressing the importance of industrial co-operation, joint ventures and technology transfers.

Action

Federal business development resources and personnel deployment will stress:

- the development of novice and niche-market activities in the United States;
- the use of Access North America to help Canadian companies take advantage of new opportunities arising out of the NAFTA;
- the new market opportunities created by market reform programs in Latin America;
- the expansion of sales of goods and services to the booming markets of Asia-Pacific;