REPORT 4 88/07/27

QUARTERLY PROGRESS REPORT OF EXPORT PROMOTION PROGRAM AT MISSIONS ABROAD FOR FISCAL YEAR 87 FORECAST OF KEY ACTIVITIES AND ANTICIPATED RESULTS STATED IN MISSION'S ANNUAL PLAN

POST : 510-BEIJING

009-FOREST PRODUCTS, EQUIP, SERVICES PEOPLE'S REP OF CHINA

PLANNING:

ACTIVITIES PROPOSED IN POST PLAN:

WOOD AND WOOD PRODUCTS

PROVIDE SUPPORT TO COFI'S EFFORTS IN CHINA, ESPECIALLY THEIR FARMHOUSE DEMONSTRATION PROJECT IN SHANGHAI.

PURSUE DISCUSSION WITH CHINESE AUTHORITIES TO ESTABLISH THE WOOD PRODUCTS COMMITTEE.

INCREASE CONTACTS WITH THE MINISTRY OF FORESTRY, THE NATIONAL TIMBER IMPORT & EXPORT CORP., THE MINISTRY OF BUILDING MATERIALS INDUSTRY, ETC. TO FIND OUT CHINA NEEDS AND REGULATIONS ON THE USE OF LUMBER.

GATHER INFORMATION ON OUR COMPETITORS AND INFORM CANADIAN COMPA-NIES.

INVESTIGATE WHICH MACHINERY & FOREST EQUIPMENT CHINA REQUIRES.

REINFORCE CANADA'S IMAGE AS A SECURE, RELIABLE AND COMPETITIVE SOURCE OF PULP % PAPER THROUGH CONTACTS WITH THE MINISTRY OF LIGHT INDUSTRY AND IMPORT CORPORATIONS.

EQUIPMENT AND MACHINERY

SUPPORT CANADIAN COMPANIES PURSUING MAJOR PULP & PAPER PRODUCTS.

PUBLICIZE CANADIAN TECHNOLOGICAL CAPABILITIES AND EQUIPMENT IN THE PULP & PAPER INDUSTRY THROUGH CLOSE CONTACTS WITH THE MINIS-TRY OF LIGHT INDUSTRY.

ANTICIPATED RESULTS:

INCREASE AWARENESS OF ADVANTAGES OR USE OF LUMBER IN HOUSE CONSTRUCTION.

IMPROVED INTORMATION FLOW & AWARENESS IN CHINA OF CANADIAN CAPABILITIES.

INCREASE SALES OF LUMBER. BETTER DEFINITION OF MARKET POTENTIAL.

INCREASE KNOWLEDGE OF PRODUCT SECTOR TO FOCUS CANADIAN EFFORTS WITH VIEW TO INCREA-SING LONGER PORTION OF MARKET.

FOCUSSED PROMOTION OF COMPETITIVE MACHINERY.

MAINTAIN AND INCREASE OUR SHARE OF THE MARKET

TO OBTAIN CONSULTING CONTRACTS, TECHNOLOGY TRANSFER CONTRACTS AND EQUIPMENT SALES.

CANADIAN SUPPLIERS OF PAPER MACHINERY COULD BE SHORT-LISTED FOR SOME PROJECTS INCREASED USE OF CONSULTING FIRMS.

TRACKING:

ACTIVITIES UNDERTAKEN IN QUARTER:

QUARTER: 1 ----

QUARTER: 2 A) GATHERING OF COMPREHENSIVE INFORMATION ON MARKET FOR CDN WOOD PRODUCTS.

B) RENEWAL OF FORESTRY MOU.

QUARTER: 3 ----

QUARTER: 4 -----

QUARTERLY RESULTS REPORTED:

A) COMPLETION AND DISSEMINATION OF DETAILED REPORT ENTITLED "THE MARKET FOR CANADIAN WOOD PRODUCTS IN CHINA"

B) AGREEMENT IN PRINCIPLE FOR ONE YEAR EXTENSION NEGOTIATED.