

Export and Investment Promotion Planning System

MISSION: 347 RIYADH

COUNTRY: 322 SAUDI ARABIA

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- non competitive pricing
- difficulties of adaptation of marketing techniques to the market by some Canadian companies

Some Canadian exporters to this market in this sector (sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- support provided by the PEMD program
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada

The Trade Office has recommended that a comprehensive market study of this sector (sub-sector) would enhance the knowledge of Canadian exporters to this market.

In support of Canadian exports in this sector (sub-sector) the Trade Office is currently engaged in activities which include:

Activity: PROMOTE CANADIAN EQUIPMENT AND SERVICES (PARTICULARLY MAINTENANCE) WITH CONTRACTORS LIKE FLUORBECHTEL AND PARSONS.

Results Expected: HAVE 5 CDN COMPANIES REGISTERED WITH LOCAL CONTRACTORS.

Activity: CONTACT MEMBERS OF O & M MISSION WHO VISITED KSA IN DEC. 85 TO ENSURE COMMITMENTS MADE ARE FOLLOWED UP AND BUSINESS CONNECTIONS SATISFIED.

Results Expected: HAVE 2 AGENCY AGREEMENT SIGNED.

For the next fiscal year, the Trade Office is planning to undertake the following new export support initiative(s) in this sector (sub-sector):

Activity: CONTACT POLYSAR TO DETERMINE ITS INTEREST IN LICENSING NEW RUBBER MANUFACTURING TECHNOLOGY TO SABIC.

Results Expected: FEASIBILITY STUDY UNDERWAY BY SECOND HALF 87.