

While existing Canadian exports total only some US\$ 100 million, or less than 1% of the Egyptian import market, there is certainly plenty of room for Canadian penetration. With new developments, albeit selective, and upgrades in numerous sectors of Egypt's infrastructure, there are numerous niches to be found where Canadians can be successful. Indeed recent Canadian successes in such diverse areas as pollution control systems, butter sales, information and telecommunications systems development, cargo inspection services, and coal sales, point to Canada's ability to compete and compete well in the Egyptian market place. Numerous Canadian companies are appointing agents in Egypt, or establishing regional offices here to target both the domestic market and the surrounding markets of Africa, North Africa and the Middle East. Not only is this one of the easier markets to sell to, it is one of the easiest to comprehend. Egypt's commercial and political ties with other states coupled with its cheap and bountiful labour make it an ideal partner for joint ventures into numerous third markets. The Canada Arab Business Council (CABC) has long recognized this potential for strategic alliances with Egyptian partners and indeed has a formalized relationship with the Egyptian Businessmen's Association in order to foster and facilitate the marrying of its members and their strengths with Egyptian companies and their strengths.

There are as one can see or discover numerous opportunities in the Egyptian market for Canadian companies. It is our view that if one analyzes the various Egyptian government and private sector priorities and needs, and correspondingly takes into consideration Canadian strengths, that certain sectors stand out as offering perhaps some higher degree of potential opportunity. In this regard the post would list these sectors as follows:

- 1) energy, particularly electrical and to a lesser immediate extent, nuclear,
- 2) oil and gas equipment and services, including training,
- 3) environmental equipment and services,
- 4) agriculture and food stuffs.

The Power Generation and Transmission Equipment and Services Sector should offer increasing potential for Canadian suppliers over the next decade.

Egypt's present requirements for electricity are met by 40 interconnected power stations with a generating capacity of about 13,000 MW of which thermal steam accounts for 50%, combustion turbine, combined cycle 26%, and hydropower 24%. The transmission system consists of a unified grid totalling 7,400 kilometres of high and low voltage overhead lines which connect Upper Egypt and the High Dam Hydro Plant to the Delta area of Lower Egypt.

The Government's 5 year development plan forecasts investment of US \$3 billion for the construction, rehabilitation and expansion of generation, transmission and distribution facilities. Several thermal generating power stations are currently being upgraded and or constructed in an effort to increase overall capacity by 800 MW per year until the