

LOCAL PRODUCTION OF PABX EQUIPMENT

Long Distance Telecommunication Industries in Shiraz, affiliated, to TCI are currently producing some 5000 PABX system units per year. There are also private manufacturers of PABX equipment.

RURAL TELECOMMUNICATION

In 1989 about 3,200 villages (with 4 million or 17% of the total rural population) of the country's approximately total 30,000 villages had access to the country's telecommunication system. Plans call for the addition of 10,000 public call offices by 1994. The government intends to use multi-access rural radio equipment to link 6000 villages by the end of the plan period.



KEY PLAYERS

While TCI is by far the most important single organization in the market, other state affiliated organizations such as the National Iranian Oil Company (NIOC), the banks and Qehsm and Kish islands free trade area authorities will be expanding or establishing private networks. Tehran Urban and Suburban Railway Company intends to install 2,000 kilometres of fibre optics links worth approximately US \$200 million. Iranian banks are establishing data transmission networks including message and package switching. 200 VSATS have reportedly been bought for this purpose.

COMPETITION

Competition from traditional suppliers from Germany, France and Japan is strong. Siemens is one of the co-founders of the Iranian Telecommunications Manufacturing Company (ITMC) established in 1961. Iran has a wide range of requirements for modernizing its telecommunication industry and is aware of the high standards of Canadian products. Iran is keen to find access to North American technology which has generally been denied since the early days of the 1979 Revolution, and is also anxious to diversify sources of supply. In 1991 two telecommunications missions from Quebec visited Iran and a Middle East Telecommunication mission also visited the market in early 1992. Both of the missions from Quebec yielded memoranda of understanding.

OVERVIEW

In Israel, major investments are being made in infrastructure in order to modernize and improve the country's present communications/telecommunications systems and to provide new services for businesses and private consumers. There is a clear trend towards privatization of government-owned corporations and towards opening up of monopolies to competition.

About US \$1.8 billion is expected to be invested in the field of telecommunications over the next three years. There are major opportunities for the Canadian sector since the Israeli government and business community view Canadian achievements in the field very favourably. The Israeli delegate to Intercomm '90 noted that prices for Canadian equipment are approximately 20% less expensive than similar equipment made in the USA.