

Europe and the United States have produced a number of project developers, individuals and groups who are adept at bringing the various components of the capital project together in a timely fashion. This capability is driven by a number of factors including high skills levels, considerable experience in a variety of markets, risk attitude and corporate contacts. While there are a few Canadian firms and individuals with these skills, their numbers are far fewer than those of our competitors.

In summary, various European players appear to be in a position to take advantage of the specific edges they have developed over the years in doing business in international capital projects market. These edges include:

- the scope and scale of activities of corporate operations. In particular, the large international contracting firms in Europe are very strong in marketing their capabilities and have the in-house skills and external credibility needed to lead consortia;
- a track record in consortia development and joint bidding on export related work (e.g., firms in The Netherlands);
- some companies have the potential to take advantage of their relationships with shareholders who themselves are wealthy or are governments (e.g., bank investment in contractors and manufacturers: France, Germany);
- overseas investments, international networks and local partnering. Deep involvement in the local social and business fabric allows some European firms to identify opportunities at an early stage. Familiarity with local manufacturers and contractors as required, improves partnering capabilities. Consequently, governments and firms in prospective project countries are aware of Bouygues (France), NEDECO (the Netherlands) and like firms and they are recognised as credible project competitors;
- relatively healthy balance sheets and commensurate financial strength allowing use of internally generated funds as a source of project equity (particularly among French, German and some British firms);
- various kinds of government support as identified earlier in this report;
- successful experience in privatisation in their home markets (e.g., the United Kingdom); and,
- a perception by various host governments in the project countries that many European firms are among the most credible companies "in the play."