communications; Intelsat is used for transatlantic communications. Denmark's single earth station is situated in Blaavand, however, Denmark also has part ownership (as do the other Scandinavian countries) of the EIK earth station in Norway.

Cable System: Introduction of a national Synchronous Digital Hierarchy (SDH) transmission system is expected in 1992/93. ISDN international traffic with Great Britain, France and Germany was established in 1990/91, following successful testing of Denmark's international ISDN exchange. An international exchange was opened in 1990 for 2MBIT's switching (Meganet) in connection with a trial network between Sweden, Switzerland, Finland and Denmark.

4) Other Electronics

Today electronics are applied to an ever increasing number of industrial and scientific applications. Danes are typically receptive to electronic solutions in new areas. Canadian companies with specialized electronic products are encouraged to contact the Embassy in Copenhagen for an assessment of their specific product.

5) Strategic Partnering

Danish industry in general is characterized by small to medium-sized enterprises which excel in niche-oriented products. Significant potential exists for Canadian suppliers of equipment and services to establish strategic partnering arrangements with them, for the EC Internal and Nordic markets and in the future Eastern Europe and the USSR. Similarly, Canadian suppliers also provide potential for Danish firms to focus on the North American market. This is reinforced by the many similarities in approach to business and social/cultural values shared by Danes and Canadians.

6) <u>Defence Sectors</u>

Defence Budget:

Overall budget: Approximately CDN \$2.7 Billion

Procurement Portion of Budget: Approximately CDN \$450 Million

Offset: Normally 100% (administered by the Ministry of Industry in

communication with the Federation of Danish Industries).

IEPG Member: Yes

Possible Upcoming Projects

A) Airforce

F-16 update: will consolidate fighter capacity with additional F-16's, no decision yet on regarding new, used or leased from USA; MLS: new onboard