

equipment and civil works suppliers, in the final stages of bidding. In FY 1992, Canadian suppliers are recorded as having lost 62 contracts in 20 countries, valued at almost \$215 million. See Exhibit 7 for a comparison of contracts won to contracts lost for FY 1988-FY 1992.

Perhaps the most striking observation to be made is that over 77 percent of all contracts lost by Canada over the past five fiscal years represented only three categories of equipment; electrical equipment, mechanical equipment and transportation equipment electrical equipment-\$289.8 million or 37.9 percent, transportation equipment-\$203.84 million or 26.7 percent, mechanical equipment-\$95.1 million or 12.4 percent of contracts lost). This amounted to almost \$509 million in lost contracts. Over the same time period, Canada is recorded as having won \$105.7 million in contracts associated with these three categories of goods, over \$70 million of which involved transportation equipment. Notably, these three product areas absorb a large portion of World Bank spending.

Another interesting set of observations involves the fact that **73.3 percent of the contracts (by value) lost by Canadian goods and equipment suppliers from FY 1988 through FY 1992 were lost to only 6 competitors.** Over the past five fiscal years, 24 percent of the recorded contracts lost by Canadian suppliers (valued at \$184.25 million) were lost to the French. Of this total, \$131.8 million or 71 percent (17.2 percent of all contracts lost by Canada) represented contracts lost to French suppliers of electrical equipment, specifically designated for power projects in Algeria, Indonesia and Brazil. The remainder of the contracts lost to France were in the categories of data processing equipment, telecommunications equipment, energy exploration and production equipment, mechanical and transportation equipment and civil works.

Canada lost \$124.9 million in contracts to China, \$74.6 million or 59.75 percent of which involved contracts for electrical equipment. All of these contracts involved projects taking place in China, the majority of which stemmed from one thermal power project. Other contracts lost to China concerned mechanical equipment for a project in China, transportation equipment for projects in India and civil works/infrastructure in projects in Cameroon and Nigeria. Additionally, Canada lost \$84.75 million in contracts to the U.S.

over the five year period, primarily for project work in China and in Latin America.

Canadian suppliers lost \$77.5 million in contracts to Yugoslavia between FY 1988 and FY 1992. Almost all of this total concerned the supply of mechanical and transportation equipment for a railway project in India. Canadian suppliers also lost \$57.1 million in contracts to the Netherlands, the majority of which was lost in one contract involving the supply of mechanical equipment to an electric power project in Egypt. Additionally, \$32.1 million in contracts has been lost to Thailand for the supply of goods to projects taking place in Thailand.

Canadian suppliers lost \$45.7 million in contracts in the area of civil works/infrastructure, \$31.96 million in contracts involving telecommunications equipment and \$27.67 million in contracts involving the supply of data processing equipment.

When analyzed on a regional basis, we find that \$344.5 million or 45.1 percent of the contracts lost by Canada (by value) involved projects taking place in the East Asia and Pacific region, particularly in China, Thailand and Indonesia. In the South Asia region, Canadian suppliers lost \$142.6 million in contracts (18.6 percent of contracts lost), primarily in India and Pakistan. In the Middle East and North Africa, Canadian suppliers lost \$102.4 million or 13.4 percent of contracts lost, losing many of the contracts in Algeria, involving the supply of electrical equipment to a single thermal power project. Similarly, in Latin America and the Caribbean, Canadian suppliers lost \$102.4 million or 13.4 percent of the contracts lost, in Brazil, for the most part, involving the supply of mechanical equipment to a railway project and electrical equipment to a power project. In the Africa region, Canadians lost \$48.8 million in contracts over the past five years, in Cameroon, Madagascar, Ethiopia, Egypt, Nigeria, Burundi, Mali and Tunisia. Canadian suppliers lost \$23.8 million in contracts in the Europe and Central Asia region over the same period, in Hungary, Romania, Turkey and Yugoslavia.

A different regional pattern is to be found among the contracts actually awarded. Of the recorded contracts awarded to Canada, \$100.4 million or 32.6 percent involved project work in Africa, \$67.3 million or 21.9 percent involved