

billion worth of investment from domestic and international sources. Timing is significant in this sector. Far-reaching policy changes by India's Department of Telecommunications are underway, leading to liberalization and opening of the sector to private enterprise; Indian firms are scouting for foreign partners with proven technologies and expertise. Canada is a leader in this field and is capable of being a major player in this very competitive industry.

Environmental Products and Services - India's growing industrial base and its rapid population growth have created major environmental problems for the country. In response, the Indian government has launched a number of ambitious initiatives to improve environmental quality: environmental legislation has been introduced; most import controls have been removed; and stricter enforcement is being implemented. The market for environmental goods, services and technologies is estimated at approximately US\$700 million annually. The Indian environmental technology market is growing at an annual rate of 25 percent. Canada is a world leader in technological advancement within the environmental industry. As such, India offers a unique opportunity for Canadian companies to contribute to its economic success while protecting the global environment; the essence of sustainable economic development.

III. Other Sectoral Opportunities

India offers a wealth of opportunities in many sectors for Canadian manufacturers and service companies. Commercial initiatives, therefore, need not be restricted to those sectors highlighted above. While a concerted government effort will be made in these sectors, the Trade Commissioner Service of the Department of Foreign Affairs and International Trade will continue to actively support Canadian companies in the following sectors:

Automotive - India's growing middle class has placed increasing demands upon Indian auto makers to introduce new technologies and products to enhance the quality and comfort levels of their products. The opening of the Indian automotive industry to foreign firms in 1993 has encouraged many foreign firms to form joint ventures with their Indian counterparts. Economic reforms in the form of elimination of import licensing restrictions, the reduction of tariffs, and the convertibility of the rupee have created an environment more conducive to foreign investment. According to the Association of Indian Automobiles, India's automotive output is expected to increase by 25% annually for the rest of the decade. Canadian firms may best profit from this increased demand through the formation of joint ventures to supply automotive parts to the Indian market. There is a great need for new technologies to improve quality and environmental standards in the Indian automotive industry: these are requirements that Canadian automotive companies are well-qualified to fulfil.