
III. BUSINESS INFORMATION

Traditionally, the Canadian exports to Austria which have been most successful are raw and industrial materials and product lines which are unique, represent special technology, or otherwise provide a net advantage over competition from Austria's neighbouring Europeans.

In 1982, Canadian exports to Austria were in the range of Can \$ 100 million, of which some 50 per cent were chemicals, food products and raw materials, and 20 per cent comprised semi-finished and finished goods as well as machinery and transportation equipment.

Negative marketing factors affecting Canadian trade relate to the fact that Austria because it is a land-locked country in the centre of Europe, has a particularly close relationship economically with its large and extremely competitive West German neighbour, with which it shares a common language. Also duty-free entry is provided to most products from both the EFTA and EEC (excluding agriculture), whereas Canadian goods entering Austria are subject to the MFN tariff.

Transport sensitive items (cost-wise) face particular difficulties. A solution which, in some cases, has proven successful in penetrating the Austrian and neighbouring markets in both Western and Eastern Europe, is to enter into a co-operation agreement with a local manufacturer in the same field who will incorporate the Canadian components in his product and then cover specific markets.

Trade and Countertrade Facilities to Eastern Europe and Third World Countries

Austria is ideally placed for trade with Eastern Europe and to some extent also with other developing world countries requiring special trading approaches and techniques. Numerous experienced trade and countertrade houses operate here, (some of which are affiliates of large Austrian banks and act also as merchant and trading banks). These organizations provide