

DFAIT's EXPORT STRATEGY

In view of recent trends in North American and world trade, Canada's Department of Foreign Affairs and International Trade (DFAIT) has revised its export strategy to promote the development of Canadian SMEs.

DFAIT's **U.S. Business Development Program** focuses on an integrated conception of the expansion of trade and the development of investment and technology. Its priority is knowledge-based and value-added activities, including the production and distribution of market intelligence and data by electronic or other means.

The program primarily targets the following priority sectors: computer technologies (hardware and software), the environment, services, biotechnology, telecommunications and cultural industries.

The objective is to offer SMEs support by giving them access to knowledge and reliable business information on export prospects, investment, strategic partnerships, technology transfers, market access and competition. They also receive the benefit of a network of resource persons who can provide them with guidance in becoming export-ready.

Other elements of DFAIT's export strategy are designed to promote and encourage the formation of strategic partnerships; technological input, and the development of export capabilities.

Investment

One of the main elements of DFAIT's strategy centres on promoting investment in Canada.

Through a more systematic approach and better integration of the investment component of the corporate liaison program direct-

ed at senior U.S. executives, DFAIT's United States Business Development Bureau will work to influence the investment decision process in Canada's favour and to identify the factors which influence that process.

DFAIT will use the "Team Canada" approach, working in close co-operation with provincial and local economic development agencies on initiatives to maintain and develop Canadian subsidiaries of foreign companies.

DFAIT's United States Business Development Bureau will further cultivate financial and other intermediaries. In particular, it will continue to direct its efforts towards U.S. business location consultants. This influential group of professionals sets the trend for the selection of attractive investment sites in the North American market.

The annual comparative survey of the Canadian and U.S. cities with the most attractive investment prospects and close co-operation with U.S. business location consultants are the tools DFAIT will use to promote Canada as a choice investment location.

In addition, the development of an effective promotional program with venture capitalists and other financial intermediaries will assist Canada's technology-driven SMEs in attracting growth capital and strategic support to sustain their development, the marketing of their goods and services, and the expansion of their activities in international markets.

Tourism

The creation of the Canadian Tourism Commission (CTC) will give Canadian tourism businesses new potential outlets in Canada's

most important tourism market, the United States.

The CTC has spent nearly \$20 million of its budget on activities related to the U.S. market, in addition to other monies derived from projects carried out jointly with the Canadian tourism industry.

Through personnel assigned to tourism at headquarters and in Canadian missions in the U.S., DFAIT provides companies with market intelligence and administrators, on behalf of the CTC and other Canadian tourism industry stakeholders, tourism marketing programs and activities.

NEBS Program

A main objective of DFAIT'S strategy is to encourage increased SME participation in numerous and diverse market promotion activities in the United States.

The **New Exporters to Border States (NEBS)** program, an intensive training program intended for business representatives, is an important instrument for the achievement of this objective.

NEBS encourages Canadian companies which do not currently export to look to markets in U.S. states bordering on Canada, to consider them as a natural extension of their Canadian market.

This program is intended exclusively for SMEs; it gives them access to practical information on complex aspects of exporting and offers them an opportunity to familiarize themselves, in concrete terms, with the U.S. market.

Over the past ten years, the program has yielded highly satisfactory results by helping Canadian businesses carve out a place as exporters in the U.S. market and later, elsewhere in the world.