

- The improvement of the transportation infrastructure has also been made a government priority. Canada is viewed as a logical partner due to similar characteristics such as diverse climates and long distances.
- While production of Algerian farms has increased, the country is still long from being self-sufficient. Canada can still expect to play a role in this sector.
- With the expansion of telephone lines by tens of thousands a year, the telecommunications area holds strong promise.
- Competition is as fierce as ever and already, 26 foreign companies have invested in oil and gas exploration deals with Sonatrach since 1991 (3 of them are Canadian).
- Financing is a major issue in Algeria where EDC has requested sovereign guarantees before renewing its line of credit: \$185 million of projects are waiting in the pipeline and the Algerian Government has often commented that support received in difficult times will be remembered in better times. EEC has recently confirmed a credit of US \$90 million for housing. France appears more inclined to assist Algeria in reprofiling its short term debt load.

### **Egypt**

- 7 Canadian companies are present in Egypt and our product exports have risen 35% (to \$110 million, \$30 million in services) over the last 2 years. 40 Canadian companies are presently pursuing business.
- Largest population (55 million) and second largest economy after Saudi Arabia in the region. Additionally, its location as a gateway to Africa and Middle East is ideal.
- Investment climate characterized by initiatives at liberalizing the financial market, upgrades in numerous sectors of Egypt's infrastructure, and is an overall ideal partner for joint ventures with its commercial and political ties as well as its bountiful labour.
- Projects worth some \$425 million are being pursued such as a museum in Aswan, vocational schools, newsprint production, sale of 12 helicopters, technology transfers, rural tele communications, cellular phone network, sale of data communications equipment, etc.
- Offsetting the debt issue, which results in financing not being available from the EDC, Egypt receives some US \$4 billion in foreign aid (US \$2 billion from non-US sources). The Egyptian private sector is also responsible for financing some 35% of total US \$13 billion of imports.

### **Morocco**

- Structural and economic reforms are being implemented in Morocco and the International Monetary Fund is confident that the country could become a success story in the next few YEARS. Quoting the IMF, few developing countries can show as good results as Morocco in growth (4%), control of inflation, debt management and improvement of the balance of payments.
- Morocco is a strong proponent of the Union du Maghreb Arabe and is presently negotiating a unique partnership agreement with the EEC.
- Financing is not available from the Export Development Corporation.
- 15 Canadian companies are established in Morocco mostly through sales offices but some are also producing locally (number expected to grow as Canadian companies have expressed increased interest in investing in Morocco). 110 Canadian companies have been actively pursuing business in Morocco during the last 3 years.

### **Tunisia**

- Canadian exports totalled \$59 M in 1991, mostly comprised of sulphur, pulp and paper, wheat and aluminium but prospects are numerous in the rebounding oil industry, in development of natural gas resources and in the environmental sector, where a need for anti-pollutant equipment and consulting services has been identified.
- An annual growth of 6% is targeted during the VIII Year Plan. The country's industrialization continues in the context of liberalization, with an objective to reduce dependence on petroleum resources.