

Infrastructure Projects

Here is a summary of major infrastructure projects currently being considered by Israel.

• Tel Aviv Subway/Rail Project

One major Canadian company has shown interest in this project. The preparation of preliminary tender documents is expected to be completed by August 1997.

The first stage (12-15 km above and below ground level) is estimated at US\$1 billion.

• Railway 2000

This is a major railway system project for a web of suburban trains running from the centre to the north of Israel.

Initial cost is estimated at US\$300 million, with a four-year construction period.

• Rail Line from Ashdod Port to Gaza Strip and Jordan

This new rail line will carry both freight and passengers to allow for increased trade and economic co-operation between Israelis and the

Palestinians. The cost for the portion on the Israel side is estimated at US\$15 million.

• Ports 2000

Major expansion is planned for Israel's three major ports in Haifa, Ashdod and Eilat. Total investments of US\$500 million are estimated.

• Natural Gas Projects

Israel has made a strategic decision to import natural gas in large quantities, mainly for electricity generation, to supplement its primary sources of energy (coal and oil).

Possible options include a pipeline from Egypt that will require investment in infrastructure, primarily in pipelines and compressors, in the order of US\$500 million; and over US\$1 billion in natural gas transportation, distribution and gathering infrastructure and systems throughout Israel.

Opportunities for Canadian Business on the Rise

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• Construction Products

Israel's construction industry is still demanding new products and services. Major hotel/shopping/office/apartment complexes and industrial parks are under construction all over the country. Opportunities are in sanitary equipment, construction compo-

nents and hardware.

• Consumer Products

Imports of consumer goods in 1996 are expected to top US\$4 billion, of which US\$2 billion will be in durable goods. With zero per cent tariffs under the FTA, there are opportunities for

Canadian-made office supplies, furniture, housewares, sporting goods, toys, consumer electronics, giftware. Carpeting, apparel and footwear offer the potential for sales, joint venturing and third-country marketing.

EDC at Your Service

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financing. EDC has four of these facilities in Israel: Bank Hapoalim: US\$10 million; Bank Leumi: US\$ 10 million; United Mizrahi Bank: US\$10 million; and Israel Electric Corporation: US\$10 million.

The Corporation can provide other financing solutions in this

market, tailored to specific transaction requirements. As well, EDC's credit insurance protects exporters for up to 90 per cent of the value of their exports if the buyer fails to pay. Many small- and medium-size exporters use EDC-insured export receivables as collateral to

borrow working capital. EDC also offers performance security support and foreign investment insurance coverage.

EDC offices are in Vancouver, Calgary, Winnipeg, London, Toronto, Ottawa, Montreal and Halifax.