

## Canadian Firm Wins \$1.37-Billion Deal at Middle East and North Africa Economic Conference

**M**ethanex Corporation of Vancouver has entered into a \$1.37-billion memorandum of understanding with Qatar General Petroleum Corporation (QGPC) toward the development of a multiple plant methanol production facility in the state of Qatar, with production to begin in 2002. The deal was reached at the Middle East and North Africa Economic Conference (MENAEC), held November 16-18, in Qatar.

The theme of this year's MENAEC — "creating a new public/private partnership for trade and economic growth beyond the year 2000" — was endorsed by the presence of 850 foreign business participants, officials representing over 65 countries and numerous international organizations.

### Better business climate throughout the region

According to the conference Declaration, "Privatization, structural reform and removal of trade barriers have provided for a more business-friendly economic climate throughout the region and will strengthen the ability to attract foreign investment and trade." This, in addition to solid GDP growth, rapid industrialization, and geographical proximity to European and Asian markets, has created new opportunities for investors. In Qatar, for example, the International Monetary Fund (IMF) predicts real economic growth at over 15 per cent this year and 11.5 per cent next year. The IMF expects that the high rates of growth will continue into the next century, with low inflation at around 2.6 per cent.

The Canadian delegation to the conference was led by Minister of Foreign Affairs Lloyd Axworthy and included Canadian business people representing 10 companies, who participated in the conference's 40 sessions. In addition, the Embassy provided matchmaking business facilities and one-on-one business meeting

rooms for Canadian businesses to foster relationships with prominent local business leaders.

### Canadian expertise in demand

The strong interest of local companies in Canadian expertise was expressed through numerous commercial inquiries, predominantly in the sectors of oil and gas, heavy machinery and parts, construction materials, electrical equipment, industrial chemicals, consumer products and professional services.

In addition to Methanex Corporation, other Canadian companies benefited from the various matchmaking opportunities offered during the conference. Canadian Ambassador T.W. Colfer congratulated the Canadian companies for their active participation at MENAEC. "Canadian products and services are sought in the Gulf region because of their quality, competitive-

ness and reliability. With the region's significant economic growth, an increasing number of major deals for Canadian companies are presently being negotiated."

The MENAEC initiative was conceived in 1991 as a parallel vehicle to support the Middle East Peace Process. Since the first summit, held in Casablanca, Canada has been a strong supporter of MENAEC, which is co-sponsored by the United States and Russia and organized by the Geneva-based World Economic Forum. The purpose of the MENAEC process is to build common economic interest in the Middle East North Africa region and to extend commerce beyond territorial and regional boundaries.

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## EDC PARTICIPATION IN QATAR PROJECT HELPS EXPORTERS

**E**xport Development Corporation is among several major lenders providing a total of US\$350 million in project financing for the construction of a combined methyl tertiary butyl ether and methanol plant in Messaeid, Qatar, for the Qatar Fuel Additives Company Limited.

EDC is providing US\$50 million in limited recourse financing in support of industrial equipment from Calgary-based Foster Wheeler Fired Heaters Ltd., Toronto-based UOP Canada Inc., Foster Wheeler Ltd. of St. Catharines, Ontario, and other Canadian suppliers. This is EDC's first limited recourse financing project in Qatar.