

Export and Investment Promotion Planning System

MISSION: 474 BELGRADE

COUNTRY: 599 YUGOSLAVIA

Projects or portion of projects which are still in the planning stage and for which Canadian companies might have reasonable prospects.

iii) Project Name: INA & NAFTAGAS ONGOING REQUIREMENTS OF OIL & GAS EQPT & SPARE PARTS.

Approximate Value: \$ 30 M

Financing Source: 025 OTHER

For further info. please contact:

The Trade Office reports that the following factors influence Canadian export performance in this market for this sector (sub-sector).

- the degree of import duty protection of local industry tends to be low

In the Trade Office's opinion, Canadian export performance in this sector (sub-sector) in this market is lower than optimum mainly because of:

- a lack of interest in the market on the part of Canadian exporters
- non competitive pricing
- market prospect which are relatively new and have not yet been explored adequately by Canadian exporters
- other factor(s) described by the Trade Office as follows:

USA HAS ESTABLISHED MARKET ACCEPTANCE AND THIS IS DIFFICULT TO OVERCOME. THE IBRD PROJECT WITH INTERNATIONAL BIDDING REQUIREMENTS HAS PROVIDED THE INCENTIVE AND VEHICLE FOR CDN MARKET INTRODUCTION & PENETRATION & HAS INCREASED CDN AWARENESS IF THIS MARKET/

Some Canadian exporters to this market in this sector(sub-sector) have enjoyed success previously as a result of a variety of factors which the trade office reports to include:

- aggressive marketing on the part of Canadian Exporters
- participation in trade fairs
- participation in trade missions
- use of Canadian Government export promotion activities
- use of provincial governments export promotion activities
- competitive export pricing for this market
- strong sectoral capability in Canada
- the availability of competitive Canadian financing

For the next fiscal year, the Trade Office is planning to undertake the following new export support initiative(s) in this sector (sub-sector):

Activity: CONTINUOUS CONTACT WITH THE TWO YUGOSLAV CUSTOMERS FOR OIL AND GAS EQUIPMENT - INA AND NAFTAGAS, WILL BE MAINTAINED.

Results Expected: \$10 MILLION PER ANNUM IN SALES OF CANADIAN EQUIPMENT AND SERVICES.