

AMERICAS:

REGIONAL ASSESSMENT

Several nations in this Region represent excellent target markets for Canadian companies, especially Mexico, Venezuela and Colombia. Several Canadian companies have become noticeably more aggressive over the past 18 months, particularly members of the BCE family such as Northern Telecom, Bell Canada International and BCE itself (as members of an international consortium). Several of these nations are beginning to get their financial houses in order, particularly Mexico. All things considered, it is conceivable that this Region could hold as much potential for Canadian companies as the Pacific Rim and Western Europe.

TIER A: Mexico Without doubt the single best market in Region. Large market size, improving financial condition, aggressive expansion of network capabilities, appreciation of Canadian technology and significant level of interest on part of Canadian firms all suggests that Mexico should receive major attention in export promotion. If NAFTA becomes a reality, Mexico may well become our #2 telecom market after the U.S. over the course of the next decade.

TIER B: Argentina The PTT has recently been purchased by Spanish interests and the assumption exists (probably correctly) on the part of Canadian firms that procurement opportunities will be limited. This, combined with the chaotic telecom network and a cumbersome bureaucratic infrastructure, reduces the immediate potential of the market.

Colombia Very interested in Canadian technology, particularly cellular and rural telephony. Occasional perception difficulties for Canadian companies which assume that Bogota has great potential for physical danger.

Brazil Recent changes in the rules governing foreign investment and importation of foreign technology have brightened the prospects for Canadian companies considering entry to this market.

Brasilia Although key contact point for infrastructure projects requiring government involvement and projects relating to operations in the interior of Brazil, relatively little telecom trade conducted through this post.