REPORT 4 89/05/10

QUARTERLY PROGRESS REPORT OF EXPORT PROMOTION PROGRAM AT MISSIONS ABROAD FOR FISCAL YEAR 88 FORECAST OF KEY ACTIVITIES AND ANTICIPATED RESULTS STATED IN MISSION'S ANNUAL PLAN

POST :346-BAGHDAD

008-TRANSPORT SYS, EQUIP, COMP, SERV. IRAQ

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PLANNING:

ANTICIPATED RESULTS:

AUTOMOTIVE

DISCUSSIONS WITH IRAQI MINISTRY OF TRADE ON UMBRELLA AGREEMENT FOR FINANCING OF NEW SALES TO IRAQ INCLUDING OIL BARTER AS A FORM OF PAYMENT.

ASSIST GMMD TO RECOVER APPROXIMATELY 8 MILLION DLRS STILL OWED TO ITS BANKERS FOR PREVIOUS SALES TO IRAQ.

ACTIVITIES PROPOSED IN POST PLAN:

SUPPORT SNVI'S ACTIVITIES IN IRAQ & THEIR REQUEST FOR GOVERNMENT FINANCING FROM CANADA FOR THEIR CURRENT AND FUTURE SALES OF AMBULANCES.

WORK WITH PRIVATE IRAQI IMPORTERS OF AUTOMOTIVE PARTS TO HELP THEM SOURCE PRODUCTS IN CANADA AS THEIR RESPONSIBILITY FOR IMPORTS INCREASES AND ACCESS TO HARD CURRENCY IMPROVES.

TRACKING: ACTIVITIES UNDERTAKEN IN QUARTER:

QUARTER: 1 -----

- QUARTER: 2 Continue to support GMMD in their efforts to finalize sales of finished product and promote assembly project.
- QUARTER: 3 Assist GMMD and SNVI to promote sales through Baghdad International Fair.

QUARTER: 4 -----

DEVELOP NEW SALES WHICH COULD REACH ONE-HUNDRED MILLION DOLLARS.

BY RECOVERING OVERDUE PAYMENTS OF \$5 MILLION. HELP TO ENCOURAGE NEW FINANCING FOR GMMD SALE TO IRAQ BY PRIVATE COMMERCIAL INSTITUTIONS.

COMPLETE CURRENT CONTRACT & EXCHANGE PROSPECTS FOR ADDITIONAL SALES OF MORE THAN 500 AMBULANCES AT A VALUE OF \$60 MILLION.

SECURE A PLACE FOR CANADIAN EXPORTERS IN RAPIDLY EXPANDING IRAQI PRIVATE SECTOR FOR AOTOMOTIVE PARTS, VALUE OF \$20 MILLION.

QUARTERLY RESULTS REPORTED:

U.S. Congress sanctions may result in assembly project becoming completely Canadian. Negociations continuing. GATCO signed contract 5000 units November

delivery.

GMMD participated at BIF and made sales of \$314,000 as well as potential sales in excess of \$73.0 million by mid 1989.